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The NATIONAL FOOD SITUATION

NFS-75

In this issue:

Food Distribution Programs of the Department: Part III. The Special School Milk Program (p. 22)
Measuring Stock Changes (p. 24)
Survey of Inplant Food Services (p. 29)
Index of Special Articles in National Food Situation Since 1946 (p. 31)
New Publications (p. 33)

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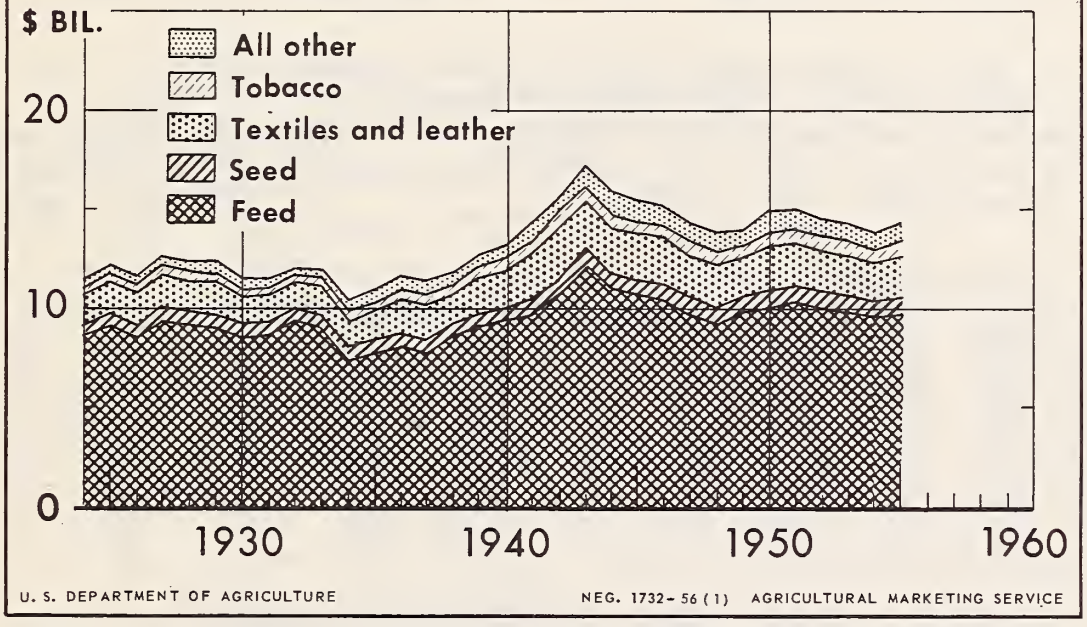
DOMESTIC NONFOOD USE OF FARM COMMODITIES

Farm Value Equivalent in 1947-49 Dollars



U. S. DEPARTMENT OF AGRICULTURE NEG. 1732-56(1) AGRICULTURAL MARKETING SERVICE

Domestic nonfood use of agricultural commodities increased 3 percent last year to halt a 3-year decline. Since the mid-1920's such use rose 20 percent, less than half the rate of the population increase.

Among the more important factors which account for the decline in nonfood use measured on a per capita basis are: the decline in use of draft animals which has reduced feed requirements, the development of synthetic fibers which compete with cotton and wool, the development of synthetic detergents which compete with fats and oils, and better quality seeds and improved farming procedures which make more efficient use of seed.

Tobacco is the only major commodity for which both total and per capita domestic nonfood use has risen during this period.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE

Table 1.- Volume of farm marketings and home consumption and civilian per capita food consumption, 1935-39 average, 1948-54, and estimates for 1955, with percentage comparisons 1/

(Index numbers, 1947-49=100)

Item	1935-39 average	1948	1949	1950	1951	1952	1953	1954	1955 preliminary 2/	1955 as a percentage of 1935-39	1955 as a percentage of 1954
Marketings and home consumption of all farm commodities 3/	73	97	103	99	101	105	109	110	112	153	102
Food grains 4/	54	102	98	81	77	98	96	88	80	148	91
Vegetables 5/	84	103	98	99	100	96	98	97	100	119	103
Fruits and nuts 6/	90	100	97	97	106	101	102	102	106	118	104
Sugar crops	107	91	94	116	93	94	105	118	110	103	93
Total food crops 7/	73	102	98	91	91	96	98	93	92	126	99
Meat animals	72	96	99	100	104	108	110	114	117	163	103
Poultry and eggs	63	96	105	111	118	123	125	133	134	213	101
Dairy products	88	98	101	101	99	100	105	108	108	123	100
Total food livestock 8/	75	97	101	102	105	109	112	116	118	157	102
Food marketings and home consumption	74	98	100	99	102	105	108	110	111	150	101
Civilian per capita food consumption	91	99	99	100	99	101	102	103	104	114	101

1/ Index of volume of farm marketings and home consumption supersedes the series on volume of agricultural production for sale and for farm home consumption. 2/ Estimates for 1955 are based on calendar-year quantities estimated as of February. 3/ Food and nonfood items. 4/ Wheat, rye, rice, and buckwheat. 5/ Truck crops for fresh use and processing, potatoes, sweetpotatoes, dry edible beans, dry field peas, and mung beans. 6/ Except peanuts. 7/ In addition to the crops listed above, includes peanuts, peppermint, popcorn, spearmint, and vegetables grown under glass. 8/ Also includes honey, but excludes turkey hatching eggs.

Table 2.- Index of supply-utilization of farm food commodities, 1935-39 and 1947-49 averages, and 1947-55 1/

Year	Production	Imports	Stock change 2/	Total utilization	Domestic use: Food: Civilian	Domestic use: Food: Military 3/	Domestic use: Nonfood 4/	Domestic use: Total	Commercial exports and shipments to Territories 5/	Department of Agriculture export program: Stock change 6/	Department of Agriculture export program: Deliveries 7/	Department of Agriculture export program: Net purchases 8/
Section a. Percentage of total utilization in each year												
1935-39	93.9	8.2	-2.1	100.0	67.8	---	30.1	97.9	2.1	---	---	---
1947-49	95.6	6.5	-2.1	100.0	65.0	2.6	27.6	95.2	2.9	---	1.9	1.9
1947	91.7	6.0	2.3	100.0	64.4	2.3	27.4	94.1	3.3	0.4	2.2	2.6
1948	100.3	6.8	-7.1	100.0	65.8	2.8	27.2	95.8	2.7	-.2	1.7	1.5
1949	94.9	6.8	-1.7	100.0	64.7	2.7	28.1	95.5	2.9	-.2	1.8	1.6
1950	94.7	6.9	-1.6	100.0	65.5	1.4	28.6	95.5	3.2	-.1	1.4	1.3
1951	89.8	6.8	3.4	100.0	63.0	2.7	27.7	93.4	4.6	.3	1.7	2.0
1952	95.0	7.0	-2.0	100.0	65.9	2.0	26.6	94.5	5.2	-.1	.4	.3
1953	95.6	7.1	-2.7	100.0	67.2	1.9	26.0	95.1	4.4	9/	.5	.5
1954 10/	96.1	6.3	-2.4	100.0	68.1	1.6	25.2	94.9	4.7	9/	.4	.4
1955 10/	95.6	5.9	-1.5	100.0	68.2	1.4	23.9	93.5	5.6	9/	.9	.9
Section b. Percentage of total utilization in 1947-49												
1935-39	71.8	6.3	-1.6	76.5	51.8	---	23.1	74.9	1.6	---	---	---
1947-49	95.6	6.5	-2.1	100.0	65.0	2.6	27.6	95.2	2.9	---	1.9	1.9
1947	93.8	6.1	2.4	102.3	65.8	2.4	28.1	96.3	3.4	0.4	2.2	2.6
1948	97.9	6.6	-6.9	97.6	64.2	2.7	26.6	93.5	2.7	-.2	1.6	1.4
1949	95.1	6.8	-1.7	100.2	64.8	2.7	28.2	95.7	2.9	-.2	1.8	1.6
1950	96.0	7.0	-1.6	101.4	66.4	1.4	29.0	96.8	3.2	-.1	1.5	1.4
1951	94.6	7.2	3.6	105.4	66.4	2.9	29.2	98.5	4.8	.3	1.8	2.1
1952	99.4	7.3	-2.1	104.6	68.9	2.1	27.8	98.8	5.5	-.1	.4	.3
1953	101.2	7.5	-2.9	105.8	71.0	2.0	27.5	100.5	4.7	9/	.6	.6
1954 10/	102.6	6.7	-2.6	106.7	72.6	1.7	26.8	101.1	5.1	9/	.5	.5
1955 10/	105.9	6.5	-1.6	110.8	75.5	1.6	26.3	103.4	6.4	9/	1.0	1.0

1/ Covers farm commodities normally used for food in the United States, including their nonfood use. Relationships were developed from quantitative data on supply and use of unprocessed and processed farm products multiplied by average prices in 1947-49. All values were adjusted to farm values. For methodology see Agriculture Handbook 91, Measuring the Supply and Utilization of Farm Commodities, New Indexes, 1924-54. 2/ Includes farm and commercial stocks and holdings under price support programs. Minus sign means an addition to stocks; plus sign means a withdrawal from stocks. 3/ Includes civilian feeding in areas occupied by our Armed Forces. 4/ Includes seed, feed, industrial alcohol, alcoholic beverages, etc. 5/ Excludes deliveries by the Department of Agriculture. 6/ Stocks held for export. Here, minus sign means a withdrawal from stocks; plus sign means an addition. 7/ Shipments out of this country. 8/ Represents net quantities withdrawn from domestic commercial channels. 9/ Less than 0.05 percent. 10/ Preliminary.

THE NATIONAL FOOD SITUATION

Approved by the Outlook and Situation Board, February 14, 1956

SUMMARY

The domestic demand for food in 1956 is expected to continue at the present high level, reflecting the prospective record large flow of income to consumers. Food supplies are likely to be at least as large as in 1955. Civilian consumption of food probably will be a little higher than last year both in total and on a per capita basis. Retail prices are expected to average about the same in 1956 as a year earlier.

Expenditures for food per person this year are likely to be somewhat higher than in 1955, but probably will account for about the same proportion of per capita income as in recent years--around 25 percent. The increase will reflect not only the expected small increase in consumption, but also the continued shift to the more highly processed foods and more marketing services with food. Marketing charges for food are expected to continue near the high level of the past several months.

Stocks of food and feed grains were at a peak level at the beginning of 1956. The number of livestock now on farms is the largest since the end of World War II, which points to a sustained heavy output of livestock products this year. With average weather conditions, crop production probably will continue high.

Some shifts in consumption among major foods are in prospect although the total amount of food consumed per person this year is expected to be close to last year's rate. Among the livestock products, some increase is probable for beef, pork, fluid milk, and chicken meat. A small decline is likely for veal, and lamb and mutton, but the consumption rates for butter and other manufactured dairy products, eggs, turkey meat, and lard probably will be about the same as in 1955. For the foods obtained from crops, a small increase in consumption is expected for processed vegetables and the edible vegetable oils used mainly in cooking and salad oils, mayonnaise, and French dressings. Use of frozen fruits and juices, margarine, and shortening will likely be about the same this year as last. Some reduction appears likely for canned fruit products and the cereal food products. It is too early to forecast accurately the production and consumption prospects for most fresh fruits and vegetables.

Both military procurement of food in 1956 and exports are expected to total about the same as last year.

Table 3.- Apparent civilian per capita consumption of major food commodities, primary distribution weight, calendar years, 1935-39 and 1947-49 averages, 1953-55, and forecasts for 1956, with percentage comparisons 1/

Commodity	Average 1935-39	Average 1947-49	1953	1954	1955 preliminary	Forecasts for 1956	1956 as a percentage of 1935-39	1956 as a percentage of 1947-49	1956 as a percentage of 1955
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Percent	Percent	Percent
Meats (carcass weight) - Total	125.3	146.5	153.7	153.3	161.2	162	129	111	100
Beef	54.8	64.7	76.7	79.2	81.2	82	150	127	101
Veal	8.1	9.6	9.5	9.9	9.4	9.1	112	95	97
Lamb and mutton	6.7	4.8	4.6	4.5	4.6	4.3	64	90	93
Pork (excluding lard)	55.7	67.4	62.9	59.7	66.0	67	120	99	102
Fish (edible weight) - Total	10.9	10.3	10.8	11.1	10.8	2/	---	---	---
Fresh and frozen	5.3	5.9	5.9	6.1	2/	2/	---	---	---
Canned 3/	4.8	3.8	4.3	4.4	2/	2/	---	---	---
Cured	.8	.6	.6	.6	2/	2/	---	---	---
Poultry products									
Eggs (farm basis) - Number	296	380	404	415	418	418	141	110	100
Chicken (ready-to-cook)	13.2	18.5	22.6	23.8	22.5	23.8	180	129	106
Turkey (ready-to-cook)	2.1	3.2	4.5	4.9	4.7	4.7	224	147	100
Dairy products									
Total milk fat solids	31.2	29.2	27.3	26.7	27.1	27.6	88	95	102
Total nonfat milk solids	39.6	46.6	47.2	48.3	49.3	49.8	126	107	101
Cheese	5.5	6.9	7.3	7.8	7.8	7.8	142	113	100
Condensed and evaporated milk	16.5	19.8	17.1	16.5	15.9	15.7	95	79	99
Fluid milk and cream	330	359	349	349	353	356	108	99	101
Ice cream (product weight)	9.8	18.5	17.7	17.2	17.8	17.9	183	97	101
Fats and oils - Total, fat content 4/	44.8	41.8	43.6	45.1	45.0	45.2	101	108	100
Butter, farm and factory (actual weight)	16.8	10.5	8.5	9.0	9.2	9.3	55	89	101
Margarine (actual weight)	2.8	5.5	7.9	8.3	8.0	8.0	286	145	100
Lard	10.9	12.2	11.3	10.2	10.0)				
Shortening	11.6	9.5	10.1	11.6	11.3)	31.2	108	108	100
Other edible fats and oils	6.4	7.2	8.9	9.3	9.8)				
Fruits									
Fresh (farm weight) - Total	137.1	130.4	107.8	102.3	100.6	2/	---	---	---
Citrus	48.5	54.0	42.8	40.7	40.9	39.0	80	72	95
Apples (commercial)	30.2	25.2	20.2	19.2	19.4	2/	---	---	---
Other (excluding melons)	58.4	51.2	44.8	42.4	40.3	2/	---	---	---
Processed									
Canned fruit	14.8	18.1	20.6	19.3	20.3	2/	---	---	---
Canned juices	3.8	15.9	13.7	13.4	13.1	2/	---	---	---
Frozen (including juices)	.8	3.2	7.0	7.3	8.1	2/	---	---	---
Dried	5.7	4.2	4.0	4.2	4.2	2/	---	---	---
Vegetables									
Fresh, total commercial (farm weight) 5/	140	151	147	146	145	2/	---	---	---
Canned	29.6	38.5	41.8	40.9	40.8	2/	---	---	---
Frozen	6/.4	2.8	5.4	5.9	5.9	2/	---	---	---
Potatoes (farm weight)	128	112	102	103	101	2/	---	---	---
Sweetpotatoes (farm weight)	21.3	12.3	8.0	7.6	9.0	2/	---	---	---
Dry edible beans	8.7	6.6	7.7	8.1	7.8	2/	---	---	---
Dry field peas	.6	.6	.5	.5	.5	2/	---	---	---
Sugar, refined	96.0	93.8	96.5	95.0	95.4	95	99	101	100
Grains									
Corn products:									
Cornmeal	22.8	13.4	12.0	12.0	12.0	12.0	53	90	100
Corn sirup	7.6	9.8	8.7	8.7	8.8	8.8	116	90	100
Cornstarch	1.3	1.8	1.8	1.7	1.8	1.8	138	100	100
Corn sugar	2.7	4.2	4.0	3.7	3.6	3.7	137	88	103
Breakfast cereals	1.6	1.5	1.5	1.5	1.5	1.5	94	100	100
Hominy	1.4	2.8	2.6	2.6	2.6	2.6	186	93	100
Oat food products	3.8	3.4	3.4	3.4	3.4	3.4	89	100	100
Barley food products 7/	1.4	1.6	1.3	1.3	1.3	1.3	93	81	100
Wheat:									
Flour 8/	157	135	126	124	122	122	78	90	100
Breakfast cereals	3.3	3.1	3.1	3.1	3.1	3.1	94	100	100
Rye flour	2.2	1.4	1.5	1.4	1.4	1.4	64	100	100
Rice, milled	5.7	4.8	5.3	5.3	5.3	5.3	93	110	100
Beverages									
Coffee 9/	13.9	18.0	16.7	14.7	15.2	15.5	112	86	102
Tea	.66	.57	.66	.68	.64	.64	97	112	100
Cocoa beans	4.3	4.0	4.2	4.1	4.0	4.2	98	105	105
Peanuts (shelled)	4.3	4.4	4.5	4.0	4.5	2/	---	---	---

1/ Quantity in pounds except for eggs which are stated in number. Data on calendar year basis except for dried fruits, which are on pack year basis; fresh citrus fruits, dry field peas, and peanuts on a crop year basis; rice on August 1 year; and canned fruit and vegetables on pack year basis in 1935-39. All years begin in year indicated except for fresh citrus, which begins in October of the previous year, and rice, which begins in August of previous year. 2/ Not available. 3/ Excludes canned food products containing small quantities of fish, such as clam chowder, etc. 4/ Computed from unrounded data. 5/ This series covers total commercial production for sale as fresh, both for shipment to distant markets and for local markets. Excludes farm garden output for farm household use. 6/ Average 1937-39. Data prior to 1937 are not available. 7/ Barley used for food products in terms of malt equivalent. 8/ Includes white, whole wheat, and semolina flour. 9/ Green bean basis.

Population estimates used to obtain per capita consumption figures are official Census estimates of total population adjusted for underenumeration and for military personnel not eating out of civilian supplies.

RETAIL FOOD PRICES

Retail food prices in 1956 are expected to average close to those of last year. Variations for individual foods during the year will likely reflect mainly seasonal changes in supplies. Supplies of food in prospect are likely to at least equal those in 1955. Large stocks were available on January 1 from the output of previous years, and food production probably will be high if growing conditions are average. The outlook is for a strong civilian demand for food. Expenditures will likely be up some from last year, reflecting a small increase in overall food consumption per person and continued shifts to both more processed foods and more marketing services with food. Food marketing charges are expected to remain at recent high levels.

Economic activity and employment are expected to average at record levels in 1956. Consequently the flow of income to consumers is likely to equal or even surpass the peak reached in 1955, thus sustaining the strong consumer demand for most goods and services.

Both military purchases of food this year and exports are expected to be about the same as in 1955.

In 1955 the BLS index of retail food prices averaged 2 percent lower than a year earlier. Most of the decline resulted from lower prices of meats. Prices of dairy products averaged about the same as in 1954, but those of the cereal food products and the fruits and vegetable groups were up a little. For the other foods purchased for consumption at home, retail prices averaged moderately lower.

Food supplies were larger in 1955 than a year earlier and consumer demand was high. Civilian consumption of food per person in 1955 was slightly higher than a year earlier and equal to the record rate reached in 1946. The marketing margin for food in general was 2 percent above that in 1954. Poultry and eggs were the only group for which the marketing margin declined. For all other food groups the margin was either equal to or higher than in 1954. Thus only part of the lower prices received in 1955 by farmers for food products they sold was passed on to consumers.

Consumer incomes reached a record in 1955. The high level of income plus a sizable increase in the use of consumer credit resulted in record consumer purchases of goods and services, particularly of new automobiles and houses. The proportion of per capita income spent for food remained at about 25 percent.

Military purchases of food were about as large as in 1954, but exports were up substantially. Most of the increase in exports in 1955 reflected the effect of Government programs to move surplus foods into foreign markets.

COMMODITY REVIEWS

Meats

Prospects are for record large supplies of meat to be available for consumption by civilians in 1956. More meat will be available throughout the first half of 1956 than a year earlier, and probably about as much during the second half. A slight increase is expected both for beef and pork this year. Civilian per capita consumption of meat is expected to be at least equal to last year's near-record rate of 161 pounds, and may exceed it by a small margin. Retail meat prices for the year as a whole will likely be slightly lower than the average for 1955.

Beef consumption this year is expected to total around 82 pounds per person, up a little from last year's record rate of 81 pounds. Civilians are expected to have more beef than a year earlier during the first half of 1956, and about the same as last year during the last half. The large number of cattle on feed this January 1 that are due for early marketing indicates that a higher proportion of the total beef supplies available to consumers through mid-1956 will be of the better grades. Unless an exceptionally large number of cattle are put on feed this winter and spring, supplies of the better grades during the second half of 1956 will be no larger and perhaps smaller than a year earlier.

Production of beef in 1956 is expected to exceed last year's record because the number of cattle and calves on farms this January 1--a record at 97.5 million head--was up 873,000 from last January. Also, most of the increase is in beef calves and steers, classes that will largely be marketed for slaughter during the year. Cattle slaughter in 1955 was a record 26.7 million head. It included an increased number of cows and heifers slaughtered as is typical for this stage of the cycle. Slaughter of highly finished heavy steers also was large, particularly in late 1955, which added considerably to average carcass weights and to the total pounds of beef produced. In 1956, slaughter of highly finished steers may dip below 1955 but total steer slaughter probably will be up and slaughter of cows and heifers not greatly changed.

Veal consumption in 1956 is forecast at slightly less per person than the rate of 9.4 pounds estimated for 1955. This reduction is based largely on prospect of little change in calf slaughter, while the consumer population increases.

A small reduction in civilian per capita consumption of lamb and mutton also is in prospect for this year, and on about the same basis as the estimate for veal. However, the level of supplies will depend a great deal on whether farmers continue to reduce gradually the number of sheep and lambs on farms as they have in the past 3 years, or start rebuilding herds. The inventory of sheep and lambs in January 1956 was 31.1 million, the smallest since 1951 and only 1.3 million above the low point in 1950.

Consumption of lamb and mutton per person in 1955 was slightly larger than in 1954. Production was 3 percent larger than in 1954 and the largest since 1947, with most of the gain occurring in the second quarter of the year due mainly to the large late-season supplies of fed lambs.

Civilians probably will have a little more pork per person this year than last, with the increase in prospect for the first half of 1956 almost balanced by the decline likely for the second half. Consumer preference for the leaner cuts of pork, which was particularly evident in 1955, is expected to continue.

Supplies of pork through midyear will be larger than in the same period in 1955. This will reflect the 12 percent larger 1955 fall pig crop for which the marketing season is now beginning. In addition to the pig crop of last fall, supplies of pork in the next several months will be supplemented by marketing of hogs from breeding stock released by a probable downturn in 1956 fall farrowings.

Farmers' plans for a 2 percent smaller spring pig crop this year, if realized, will mean a small decline in pork production in the last half of 1956 from a year earlier. The reduced spring crop would reflect the effect of the discouragingly low prices received by farmers for hogs in the past several months.

Pork consumption in 1955 was 66.0 pounds per person, more than 6 pounds above that in 1954 but still below the postwar average. Production last year totaled 11 billion pounds, a little more than 10 percent above the low level of production in 1954. The increase in 1955 followed an upswing in the spring pig crop of that year and the fall crop of the preceding year. In addition, however, slaughter early in 1955 was boosted by a heavier than usual carryover of hogs that are normally marketed late in the preceding year, and later by a somewhat earlier movement of spring-crop pigs to market.

In an endeavor to relieve the pressure of surplus supplies of pork on farm prices for hogs during the latter part of 1955, the Department of Agriculture initiated a pork purchase program. Through February 11 contracts had been placed for 84 million pounds. This pork is being donated to the school lunch programs and other eligible outlets.

Both military takings and our foreign trade in meat during 1956 are expected to differ little in volume from those of last year. In 1955, a large reduction in military purchases contributed to the record supply of meat available for distribution to U. S. civilians. Meat imports in 1955 were nearly at the same level as in 1954 (both in total and by kind of meat), but exports were about a tenth larger. More beef and pork were shipped to foreign markets. Approximately 6.3 million pounds (carcass weight equivalent)

of frozen beef were exported in 1955 under programs financed by the International Cooperation Administration. Both imports and exports of meat are small in relation to the total production in this country.

Retail prices of meat in 1956 are expected to average slightly lower than in 1955. They might show more strength, relative to usual seasonal trends, after mid-year than before. Prices of higher grade beef after mid-1956 may about equal those of a year earlier. The rise in pork prices that usually occurs about midyear is expected to be as large or larger than usual, and will likely bring pork prices up to the level of a year earlier. During the fall, pork prices are likely to be above those of last fall. Lamb and mutton prices will likely average close to those in 1955.

Meat prices at retail averaged moderately lower in 1955 than in 1954, with most of the decline occurring in late summer and fall--the period of seasonal peak production. Through most of 1955 the price declines at retail for beef and pork were smaller than those for the farm price of cattle and hogs. Thus, the marketing margins--the U. S. average farm-to-retail price spread--were unusually wide at times last year. Lamb and mutton prices were also down moderately, due mainly to lower prices for competitive meats.

Fishery Products 1/

U. S. civilian per capita consumption of fishery products during the next 3 to 4 months is expected to be a little below that of a year earlier. January 1 stocks, which are the principal source of supplies until commercial landings start increasing seasonally, were much smaller than on the same date in 1955. Imports in the next several months probably will be substantially the same as during the comparable period of 1955. Retail prices of fishery products between now and mid-spring are expected to average about the same or a little higher than a year earlier, reflecting in part the smaller supplies.

During 1955 civilians consumed a little less fish and shellfish per person than in 1954. The consumption rate for the fresh and frozen products were up a little, but this increase was more than offset by the decline for the canned commodities. Retail prices of fishery products in 1955 averaged slightly lower than in the preceding year, judging from the BLS wholesale price index.

1/ Prepared in cooperation with the Fish and Wildlife Service of the U. S. Department of the Interior.

The commercial catch of edible fish and shellfish in 1955 totaled about 5 percent smaller than in 1954. The sharp decline in the catch of fish used for canning much more than offset the small increase in the total quantity marketed in the fresh form or frozen. Because of reduced catch, the packs of canned salmon, Maine sardines and tuna were each smaller than in 1954. The 1955 pack of canned salmon was the smallest since before World War I.

Commercial freezing of fish and shellfish in the continental United States during 1955 totaled 247.9 million pounds, slightly more than a year earlier. Domestic cold-storage holdings of the frozen products at the end of 1955 amounted to 163.4 million pounds, 9 percent smaller than at the close of the previous year. The reduction in stocks reflects both heavier marketings and a lower level of imports of frozen groundfish blocks and fillets than in 1954.

Total imports of fresh and frozen fishery products--excluding frozen tuna, which for the most part are subsequently canned--were a little larger than in 1954. The moderate reduction in receipts of frozen groundfish fillets and blocks was more than offset by increases for fresh and other frozen fish. Our exports of fishery products were much larger in 1955 than a year earlier. Most of the increase occured because of the heavy shipment of canned pilchards (California sardines) abroad, particularly to the Philippine Republic.

Poultry and Eggs

Civilian consumption of eggs per person this year is expected to be close to the 1955 record, with the prospective decline for the first half of the year offset by a probable increase in the second half. Poultry meat consumption, on the other hand, is likely to rise from last year's rate. Trade reports indicate that retail prices of eggs in January 1956 averaged above those of last year, but in early February they were somewhat below 1955. If poultry meat supplies exceed those of 1955 by the margin currently anticipated, some price decline for poultry meat appears probable.

Production of eggs through mid-1956 may be a little below that of a year earlier. The number of potential layers on farms on January 1 was 2 percent smaller than on the same date last year. Although for the year as a whole the rate of lay per bird is expected to exceed 1955, in the flush months of the spring it likely will be about the same. The flock at the beginning of this year included more hens, and fewer pullets, than a year earlier. Hens have a lower rate of lay per bird than pullets.

Although egg production through mid-1956 may lag slightly behing that of a year earlier, total supplies available for consumption in these months will not necessarily be proportionately reduced. Normally 12 or 13 percent

of the eggs produced from March through May move into storage for use during the latter part of the same year. This year the into-storage movement will likely be smaller than in 1955. Prospects are that egg production beginning late summer will be larger than a year earlier, so the need for storage eggs for consumption in the latter part of 1956 will likely be down. Farmers have indicated their intention to raise about 3 percent more replacement chickens for their laying flocks this year than last. The larger supplies in prospect after mid-1956 may limit the seasonal increase in egg prices.

Production and civilian per capita consumption of eggs set new records in 1955. Domestic demand for eggs was stronger than in 1954 and retail prices for the year 1955 as a whole averaged almost 4 percent higher, despite the larger supply.

Current indications point to continued large supplies of chicken meat well into spring. A much larger number of commercial broilers is now being raised than a year earlier, and more broiler-type eggs are in incubators. Unless broiler prices received by producers in the next few months induce a cutback in output, supplies next summer are likely to at least equal those of summer 1955. The number of farm chickens in the poultry meat supply next summer will likely be up somewhat from a year earlier, reflecting the increased number of chickens expected to be raised in 1956 as replacements to egg-laying flocks.

Civilian consumption of chicken meat in 1955--both in total and per capita--was somewhat smaller than a year earlier. Retail prices averaged moderately higher than in 1954.

Supplies of chicken meat last year were less than those in 1954. Broiler production in 1955 started off at a slower pace than in the preceding year. It expanded as farm prices remained fairly strong but remained below 1954 until midyear. In June, broiler chick placements in 22 States reached record levels of 23 million per week. Even after the price decline in mid-fall, placements continued at a heavy rate. In the summer the number of farm chickens in the chicken meat supply was down because of the 15 percent fewer replacement chickens raised and the increased number of hens retained for a second year of egg production.

Civilians are expected to have about as much turkey meat per person as in 1955. The increase in prospect for the latter half of this year when turkey marketings will be seasonally heaviest is expected to balance the decline indicated for the first half. Cold-storage stocks of turkeys on January 1, the principal source of this meat for the next few months, were more than 20 percent smaller than those on the same date last year. Prices during this period of low supply are expected to remain firm at a level somewhat higher than in the same months of 1955.

Farmers have indicated their intention to raise 6 percent more turkeys this year than last. The number of turkey breeders on hand January 1 was 7 percent larger than a year earlier, and turkey eggs put in incubators during the first 6 weeks of 1956 were ahead of 1955. Most of the turkeys hatched after February will be marketed during the second half of 1956. Farmers' intentions were to raise 14 percent more heavy-breed turkeys this year than last and 16 percent fewer Beltsvilles and similar types. This would not mean a corresponding reduction in the "family-size" turkeys available to consumers in 1956 since there probably will be a sizable early slaughter of the heavy-breed birds at light weights.

Dairy Products

Supplies of dairy products will be plentiful in 1956, though below last year's record level because of the sharply lower January 1 stocks held by the U. S. Department of Agriculture this year than last. Milk production is expected to exceed the 1955 record. Civilian consumption of dairy products (fluid milk equivalent basis) will likely total somewhat higher than last year, and may be up slightly on a per capita basis. Prices of dairy products after April 1 will be influenced by the support level to be announced by the Department for the marketing year beginning April 1.

Favoring an upturn in total milk production this year are the improved price and income position for dairying compared with other farming enterprises, especially hogs. The milk-feed price ratio in recent months has been substantially more favorable for dairying than it was a year earlier and, barring unfavorable weather, should continue above average through the year.

The number of milk cows at the beginning of the year was 1 percent below that of early 1955 but may turn upward before the end of the year. The rate of milk production per cow, which has been at record levels for the past year and a half, promises to rise further during 1956. Production of milk in 1956 probably will total around 126 billion pounds, compared with the record of 123.5 billion reached in 1955 and 122.1 billion in 1954. All of the increase this year over last is expected to be sold from farms; quantities used on farms have been stable or have decreased slightly in the last several years.

With consumers' incomes continuing high and retail prices for dairy products expected to be fairly stable, the quantity of dairy products consumed in 1956 is expected to show about the same increase over 1955 as the prospective increase in production. Per capita consumption of manufactured dairy products will be essentially the same as in 1955. The continuation of the Special School Milk Program, however, possibly on an expanded basis, probably will result in a few pounds increase over last year in the per capita consumption of fluid milk. On balance it appears, therefore, that the supply of dairy products will exceed demand at prices equivalent to the support level by about the same margin as in 1955.

With prospects for continued large production of milk on farms in 1956, farm prices for milk and butterfat probably will continue close to the support levels. Marketing costs of dairy products have been reasonably stable in the past year and are not expected to change substantially in 1956.

In the past 18 months the rate of distribution of dairy products from Department of Agriculture stocks has exceeded price-support purchases, and stocks have been reduced to the lowest level in 3 years. The present scale of distribution into export and eligible domestic outlets exceeds the likely rate of acquisition in 1956. If distribution continues at the current rate, stocks of butter and nonfat dry milk will again be low at the end of 1956. Stocks of cheese, on the other hand, remain large and promise to be a problem throughout 1956. In the past year, less than half of the butter and cheese distributed by the Department has been to eligible domestic channels such as the National School Lunch program and the rest to foreign outlets. Price-support purchases of dairy products in 1955 approximated 4.7 billion pounds, milk equivalent basis. This compares with 9.1 billion in the preceding year and almost 10 billion pounds in 1953.

Civilian consumption of dairy products in 1955 totaled 703 pounds (fluid milk equivalent) per person, compared with 691 pounds in 1954 and the record low of 682 pounds in 1953. Per capita consumption of fluid milk and cream in 1955 apparently was around 353 pounds. This compares with 349 pounds in the two preceding years, 352 pounds in 1952 and the 1947-49 average of 359 pounds. Increased use of milk in schools accounted for part of the advance over 1953 and 1954. The increase in per capita consumption of fluid whole milk in 1955 over the 2 preceding years probably was greater than indicated by these figures, since the consumption of fluid cream has tended to decline in recent years. Likewise, consumption of fluid skim-milk products has shown substantial increases for the past several years. Per capita consumption of butter was 9.2 pounds per person in 1955, seven-tenths pound above the record low of 1953. Distribution from Department of Agriculture supplies to eligible domestic outlets accounted for about half of the increase over 1953. Consumption of all types of whole- and part whole-milk cheese in 1955 equaled the 1954 record high of 7.8 pounds per person. The 1947-49 average was 6.9 pounds. Per capita consumption of ice cream showed a small increase in 1955 despite another sizable gain in "Mellorine Type" frozen desserts in States where sale of that product is permitted. ("Mellorine" is a frozen dessert made from nonfat milk solids and fats and oils other than milk fat.) An outstanding development in the ice cream industry has been the increase in consumption of iced milks, a low milk-fat type of ice cream.

Retail prices of dairy products in 1955 averaged slightly lower than a year earlier. Prices of fluid milk and of cheese averaged about the same as for 1954, and those of butter, evaporated milk and ice cream ranged from 1 to 2 percent lower.

Fats and Oils

Total supplies of food fats and oils will be record or near record large during the remainder of the current marketing year which ends next September 30. Butter production is expected to exceed a little that of last year because of the greater milk output in prospect. Output of lard will be up because of the increased number of hogs that will be slaughtered. More soybean oil and cottonseed oil will be available this year because of larger oil seed crops than in 1954. Movement into domestic distribution channels is likely to be a little heavier in the next several months than a year earlier and exports probably will be record large. Stocks of butter and edible vegetable oils on October 1 may be sharply lower than on the same date last year. Carryover stocks of lard may be up somewhat, but not enough to offset declines for the other edible items. Consequently, total stocks of food fats and oils next October 1 may be the lowest for that date since 1951.

Civilian per capita consumption of food fats and oils in 1956 probably will be about the same as last year. Little change from last year is expected in the consumption rates of butter, margarine, lard and shortening. Civilians may take a little more per person of the "other edible oils" (used mainly in the form of cooking and salad oils, mayonnaise and French dressings, and possibly "ready-to-eat" foods), continuing the moderate upward trend of the past few years. Retail prices through next summer are likely to average near last year's levels.

Shortages of sunflower and olive oils in the free world market this year are accentuating the export demand for our vegetable oils. Lard exports from the United States are expected to be large because of heavier supplies and lower prices than last year. A relatively heavy outmovement of butter is also in prospect, although much lower than in 1955. Exports of food fats and oils in 1956 will be facilitated by Government programs and through "soft-currency transactions" authorized by Public Law 480.

In 1955 civilians consumed about as much food fats and oils per person as in 1954. However, there were some important shifts among the individual items. Margarine consumption declined about 0.3 of a pound, after rising steadily since 1949. The rate for butter increased slightly, with larger donations to school lunch programs and other eligible outlets by the Department of Agriculture accounting for about half of the increase in consumption. The total domestic distribution of butter under these programs totaled 115 million pounds compared with 93 million in 1954. Disappearance of both lard as such and shortening dropped, with the total decline amounting to about half a pound per person. However, use of lard in shortening rose to a new high--more than double that of a year earlier. Lard was lower in price than the edible vegetable oils in 1955 while the

reverse was true the year before. Disappearance of "other food fats" rose enough to offset the drop in lard and shortening. There may have been a shift from lard and shortening to cooking oils. Also, the output of potato chips and frozen French fries, which take large quantities of oil, was larger than in 1954.

Supplies of all food fats continued abundant in 1955, with a large rise for lard. Hog slaughter rose 13 percent, following an increase in the number of hogs raised. Large soybean and cottonseed crops provided plentiful supplies of vegetable oils.

Exports continued heavy in 1955. More lard was shipped abroad, mainly because of lower prices. Exports of edible oils and soybeans were at a record level because of strong world demand, limited supplies from other exporting areas and various U. S. Government programs--including Public Law 480. Butter exports were the highest of record, mainly because of U. S. Government programs, including relief.

Retail prices of all the major food fats declined from 1954 to 1955, with the largest drop, 20 percent, occurring for lard.

Fruits

Total supplies of fresh and processed fruits in prospect for the first half of 1956 are somewhat larger than a year earlier. Among the fresh deciduous fruits, January 1 cold-storage stocks of apples and grapes were larger than on the same date last year by 11 percent and 76 percent. Those of fresh pears were up only slightly.

Supplies of 1955-crop tangerines and lemons remaining to be marketed this winter and spring are not greatly different from those of a year ago, but those of oranges are slightly larger and grapefruit moderately larger. Prospective supplies of Florida Valencia oranges, the preferred variety for making frozen concentrated juice, are about 7 percent larger than a year ago; those of California Valencias, which provide most of the fresh oranges marketed in summer and early fall, are 8 percent smaller than last year.

Fresh-market supplies of strawberries from Florida this winter are expected to be larger than a year earlier, despite damage to the crop in that State by low temperatures in January, because of the larger acreage planted. Supplies of strawberries for fresh use and for processing will be at a seasonal peak during spring. Prospective acreage for harvest this spring is 20 percent larger than that of 1955. However, the size of the crop will depend on growing conditions in the next few months and the extent of frost damage to plants in Washington and Oregon last November. Strawberries from these two States are used mostly for processing.

Some increase in the pack of frozen orange juice concentrate in Florida seems likely this winter and spring. With January 1 cold-storage stocks of frozen fruits and juices 8 percent larger this year than last, heavier supplies of frozen fruit products than a year earlier are in prospect for the first half of 1956. More canned fruits are expected to be available this winter and spring than in the first half of 1955, but about as much canned fruit juices and dried fruits.

In 1955 civilian consumption of fresh and processed fruit (fresh equivalent basis) per person was slightly larger than a year earlier. The increase was mainly in canned fruits and in frozen fruits and fruit juices. Retail prices tended to fluctuate around the levels of 1954.

The total fruit crop in 1955 was a little over 17 million tons, up slightly from that of the preceding year. The output of noncitrus fruits, mostly deciduous, was about 9.2 million tons, 4 percent larger than in 1954. This increase came mainly from the much heavier crops of grapes, apricots, and cherries. The peach and apple crops were smaller than in 1954 because of unfavorable spring weather especially in the southeastern and central States, so supplies of these two fresh fruits were light in late spring and early summer. The 1954-55 citrus crop, most of which was harvested in 1955, was about 2 percent smaller than the 1953-54 crop because of reductions in both grapefruit and lemons. With production of oranges up, especially of California Valencias, there were more oranges available in the summer of 1955 than a year earlier. The 1955 crop of tree nuts was about 166,000 tons, 3 1/2 percent less than the 1954 crop. Production of almonds and filberts was down and that of pecans was light for the second successive year.

Imports of bananas, which comprise most of the imports of fresh fruits, were about 1 percent lighter during the first 10 months of 1955 than in the same months of 1954.

Consumption of fresh fruits in 1955 was about 101 pounds per person, a little less than in 1954. This included about 60 pounds of deciduous and other noncitrus fruits and about 41 pounds of citrus: Consumption of peaches was much below the 1954 rate, while that of apricots, cherries, and plums and prunes was heavier. A small decline probably also occurred for bananas. Consumption per capita of fresh citrus was about the same in 1955 as in the preceding year.

Civilian consumption of canned fruits in 1955 is estimated at a little over 20 pounds per capita, about 1 pound above the 1954 rate. Total supplies available to civilians were somewhat larger than in 1954 because of the heavier stocks available at the beginning of the year and the 15 percent larger pack. The packs of canned peaches, apricots, and both the red sour pitted

and the sweet cherries were much larger than the respective 1954 packs. Those of pears and of fruit cocktail, salad, and mixed fruits were each moderately larger. But the packs of canned apples and applesauce, not yet completed at the end of 1955, were running lighter than a year earlier. Part of the 1955 pack of canned fruits will be marketed during the first half of 1956. Incomplete reports indicate that receipts of canned pineapple from U. S. Territories probably were close to those in 1954.

Consumption per capita of canned fruit juices (excluding frozen juices) in 1954-55 was approximately 13 pounds (single-strength basis), close to that of a year earlier. A slight decline from the 1953-54 rate occurred for the canned citrus juices, which constitute the major part of the total canned juice consumed. For pineapple juice--mostly from Hawaii--and other noncitrus fruit juices, consumption was not greatly different from a year earlier. The 1954-55 pack of canned fruit juices was moderately smaller than the preceding pack mainly because of reduced production of canned citrus juices in Florida.

A new high of about 8 pounds (product weight) in per capita consumption of frozen fruits and fruit juices was reached in 1955. The 1954 rate was about 7.3 pounds. Consumption of both frozen deciduous fruits and citrus juices was higher. Output of frozen strawberries, cherries, peaches, and orange juice concentrate were each somewhat larger than in 1954. As a result, total production of frozen fruits and fruit juices in 1955 was over 1.4 billion pounds, more than a tenth larger than in 1954 and a new record. Total cold-storage stocks on January 1, 1956 were about 8 percent above a year earlier.

Civilians had a little over 4 pounds of dried fruits per person in the 1954-55 marketing year, about the same amount as a year earlier. Production of dried fruits in 1955, part of which will be marketed through the first half of 1956, was about 5 percent larger than a year earlier. Among the major individual dried fruits, the output of raisins was larger, while that of prunes was down. Supplies of both prunes and raisins during the 1955-pack marketing year are larger than usual needs for domestic consumption. To help producers dispose of the surplus raisins, the U. S. Department of Agriculture has in effect an export program. In the 1954-pack marketing year about 30,000 tons of raisins were esported with the aid of Government programs.

Vegetables

Indications are that aggregate supplies of vegetables for fresh market sale will be about the same this winter as last. Low temperatures in January severely damaged tender winter crops in Florida but total national production of hardy vegetables was not reduced significantly. Among the more important

vegetables, the winter crops of snap beans, sweet corn and tomatoes suffered heavy damage and production is expected to be much smaller than a year earlier. However, production of cabbage, celery and lettuce promises to be materially larger than last winter. Imports of winter-season vegetables, particularly tomatoes, are expected to be relatively light again this winter because of early February freeze damage on the western coast of Mexico. Demand for fresh vegetables is expected to continue strong. Prices of individual items will vary from those of a year earlier depending on relative supplies and patterns of marketing, but in the aggregate prices are not expected to differ significantly from those of last winter.

Stocks of processed vegetables on January 1 were moderately smaller than those of a year earlier. Consumption of processed vegetables has been running somewhat higher than at the same time last year. If it continues at the current level, stocks will likely be significantly smaller at the end of the current marketing year than at the beginning. With demand continuing strong, steady to firm retail prices appear in prospect for most processed items during the next 4-5 months.

Supplies of potatoes through early spring are expected to be moderately larger this year than last. Stocks of merchantable old-crop potatoes on January 1--the principal component of total supplies through early spring--were 4 million bushels larger than on the same date in 1955, and prospects point to somewhat larger crops in the winter and early spring potato producing areas. Retail prices of potatoes in the next few months are expected to be close to those of a year earlier despite the larger supplies. The diversion program for 1955 late-crop potatoes, which through December 31 encouraged the removal of about 8 million bushels of this crop, mainly to starch manufacture, is still in operation.

After early spring, fewer potatoes may be available than a year earlier. According to growers intentions as of January 1, the acreage planted to potatoes for late spring harvest may be down 7 percent from the high level of a year ago, and plantings of the intermediate and late crops may total 3 percent smaller. If plantings materialize as indicated by these intentions and yields per acre equal the average of recent years, potato production after early spring will total moderately lower than last year.

Supplies of sweetpotatoes available for distribution through mid-1956, when the current marketing season ends, appear to be larger than a year earlier. Civilian consumption of sweetpotatoes per person is expected to be significantly higher this winter and spring than last. The larger supplies available during this period are expected to continue to hold sweetpotato prices below those of a year earlier.

Overall supplies of dry edible beans are a little larger this marketing season--which runs through next August--than last, and support prices for the 1955 crop are considerably lower than for the preceding crop. Although current supplies of colored beans are a little smaller and those of lima beans materially smaller than a year earlier, supplies of white beans are substantially larger. The plentiful supplies and lower prices for most types of beans may stimulate larger exports than a year earlier and may also result in some increase in domestic consumption.

Supplies of dry field peas are only about two-thirds as large this marketing season as last. However, with export demand in the next several months expected to be sharply below that of a year earlier and domestic consumption about the same, prices of dry peas are expected to continue to average lower than the high levels of a year earlier.

Civilian consumption of fresh vegetables in 1955 was slightly lower per person than in most recent years. Demand for fresh vegetables appears to have been a little stronger than in 1954. With aggregate production substantially the same as in 1954, retail prices in 1955 averaged somewhat higher.

Among the more important vegetables, 1955 production exceeded the previous year by 5 percent or more for snap beans, broccoli, cauliflower, sweet corn, and tomatoes. Output of lima beans, beets, Brussels sprouts, cabbage, carrots, kale and onions was below 1954 levels by 5 percent or more. Stocks of onions and cabbage on hand January 1, 1956 were substantially below those of the previous year and the 1949-53 average.

Canned vegetable consumption in 1955 was almost 41 pounds per person, about the same as in the preceding year. Civilian demand for canned vegetables in 1955 was about the same as a year earlier, and retail prices averaged relatively close to those of 1954.

The aggregate pack of canned vegetables in 1955 appears to have been a little larger than that of 1954. Among the individual items for which data are available, the pack was larger for canned green peas, whole tomatoes, asparagus, pumpkin and squash, and tomato catsup, paste, puree and chili sauce. The packs of canned lima beans, snap beans, sweet corn and tomato juice were smaller than in 1954.

According to preliminary estimates, the per capita consumption of frozen vegetables in 1955 was about the same as a year earlier. Although complete data are not yet available, indications are that the pack of frozen vegetables was up moderately from 1954, perhaps enough to about offset the smaller beginning stocks. The pack of green peas was significantly larger in 1955, while that of cut corn was well below the heavy output in 1954. The pack of frozen asparagus was a little smaller in 1955.

Supplies of potatoes were moderately larger in 1955 than in 1954. The 1955 crop totaled 382 million bushels compared with 356 million of the preceding year. Indications are that civilian consumption per capita was slightly below that of 1954. Part of the increase in the potato supply was diverted into nonfood uses. The larger supplies of potatoes after midyear weighed heavily on the market and retail prices averaged significally lower than those of a year earlier. As usual our foreign trade was relatively small with exports exceeding imports.

Apparent civilian consumption of sweetpotatoes per person was substantially larger in 1955 than a year earlier. Production was 38.4 million bushels, 27 percent larger than the 1954 crop but 18 percent below the 1944-53 average. The increase over 1954 resulted because of record yields; acreage in 1955 was slightly smaller. The larger supplies, which moved into consumption after midyear, have held retail prices somewhat below those of a year earlier.

Consumption of dry edible beans in 1955 amounted to approximately 7.8 pounds per person, somewhat lower than in the preceding year. The dry bean crop totaled 17.3 million bags (100 pounds, cleaned basis), a little larger than in 1954 and about 8 percent above the 1944-53 average. Pea beans were the largest class of dry beans harvested in 1955, with the crop almost half again larger than that of the preceding year. Pintos were the second largest, even though output was substantially smaller than in 1954. Exports in 1955 were much smaller than a year earlier, with the reduction due mainly to the fact that supplies of white beans--preferred in our European markets--were relatively small and high priced.

Supplies of dry field peas were materially smaller in 1955 than a year earlier. As a result of low yields, the 1955 crop was the second smallest one in 15 years and about one-fifth smaller than in 1954. Civilian consumption appears to have been about the same as a year earlier, but exports were much smaller. Exports during the last quarter of 1954 were the highest for the same months in recent years because of the strong export demand, due to the poor dry pea crop in Europe.

Cereal Food Products

Supplies of cereal food products will continue plentiful during 1956. Civilian per capita consumption of these foods is expected to be close to the 1955 rates. Although prices received by farmers for grains in 1956 will likely average somewhat lower than last year--based on prices expected for the 1955 crops remaining to be marketed and the announced price supports for the 1956 crops, retail prices of the cereal food products in general are expected to equal or even exceed slightly the average for 1955. The cost of some grains makes up only a small part of the finished food product. Marketing charges for cereal food products are expected to remain fairly close to recent levels.

Supplies of grains used for the cereal food products will be much larger in 1956 than anticipated total domestic use--both for food and nonfood purposes--and exports. We now have enough wheat to meet expected domestic and export needs at least for the next 1½ years even if we did not grow another bushel of it during this period. Current rice supplies are also unusually heavy, but the situation is by no means as extreme as for wheat.

Total domestic use of wheat in 1955 was down slightly from that of the preceding year, reflecting mainly a reduction in the quantity used for livestock feed. Civilian consumption of food products of wheat (measured in terms of grain equivalent) totaled about the same as in 1954, although the per capita rate was down a little. Exports were up in 1955, with the increase due largely to sales made for "soft" foreign currencies or through barter arrangements, as authorized under Public Law 480. According to BLS reports, the price of bread averaged 3 percent higher in 1955 than a year earlier, and that of wheat flour was about the same.

Wheat supplies in 1955 were record large. The crop amounted to 938.2 million bushels, 5 percent smaller than in 1954 and the smallest since 1943. However, stocks on January 1, 1955 were sufficiently larger than a year earlier to more than balance the output decline.

The rye crop in 1955, at 29.2 million bushels, was about 20 percent larger than a year earlier and close to 40 percent above the 1944-53 average. The increase over 1954 was due to the much larger acreage harvested. Civilian consumption of rye in food products during 1955 was at the previous year's low rate of 1.7 pounds (grain equivalent) per person. Nonfood use of rye--mainly for alcohol and feed--was about 5 percent larger than in 1954.

Although rice supplies were unusually heavy and retail prices averaged about 4 percent lower, civilian per capita consumption of rice during the 1954-55 marketing year averaged about the same as in the preceding year. With exports much lower than in 1953-54, stocks on August 1, 1955--the end of the last marketing season--were about 4 times as large as a year earlier. Thus, even though the crop harvested in 1955 was more than 15 percent smaller than the record large crop of 1954, supplies available for distribution during the present (1955-56) marketing year are record in size. Civilian per capita consumption of rice in 1955-56 probably will about equal the preceding year's rate.

Record supplies of feed grains--corn, oats and barley--were available in 1955. This reflected the heavy stocks on January 1 and the second largest crop, in total, of record.

Civilian consumption of food products of corn (grain equivalent basis) was about the same as the 1954 per capita rate, but it varied among individual items. For example, apparent civilian food use of corn starch, corn sirup and corn oil per person in 1955 was higher than a year earlier by the following percentages: 3, 2 and 2, respectively, while that of corn sugar was down 2 percent. Consumption of cornmeal was close to the 1954 per capita rate. Retail prices are reported only for corn flakes and cornmeal, which averaged substantially the same in 1955 as a year earlier. Per capita food use by civilians and retail prices of corn products in 1956 are expected to be relatively close to those of last year.

Civilian consumption of oats and barley (grain equivalent) in food products in 1955 was at about the same per capita rate as in recent years, and is expected to continue at about that rate in 1956. Food use of these grains is relatively small, usually amounting to less than 3 percent of total production.

The record stocks of feed grains on January 1, 1956 and lower prices of these grains will contribute to a continued large output of livestock and livestock products this year.

Sugar

The initial marketing quota of 8,350,000 tons (raw value) for 1956 was announced by the Secretary of Agriculture in December. At that time the Secretary stated that the quota would provide a supply of sugar that is expected to result in prices which are not excessive to domestic consumers and that will maintain and protect the welfare of the domestic sugar industry. The initial quota for 1956 is a little smaller than the quantity of sugar civilians consumed last year.

The initial quota for 1955 was 8,200,000 tons. During the year it was raised 100 thousand tons in July and again in October.

Civilian per capita consumption of sugar in 1955 was 95.4 pounds (refined basis), almost the same as the preceding year's rate. Primary distributors marketed 8,397,000 short tons (raw value) to domestic users, slightly more than in 1954. Retail prices of sugar in 1955 averaged 10.4 cents per pound (in 5-pound containers), a tenth of a cent less than a year earlier.

The sugar beet crop in 1955 totaled 12,498,000 tons, 11 percent smaller than that of the previous year. The reduction was a result of acreage restrictions imposed on sugar beet producers to bring their output in line with the beet sugar marketing quota. The yield per acre in 1955 was record large at 16.8 tons. Sugarcane production in 1955 was 6.9 million tons, slightly higher than a year earlier. Increased yields more than offset the effects of the acreage reduction. Acreage restrictions will be in effect for both crops in 1956.

FOOD DISTRIBUTION PROGRAMS OF THE DEPARTMENT
Part III.-The Special School Milk Program 1/

Over 62,000 schools are now participating in the Special School Milk Program and these schools are reporting substantial increases in fluid milk consumption by children.

The Special School Milk Program is the newest of the Department's food distribution activities. It grew out of a provision of the Agricultural Act of 1954, which authorized the use of the Commodity Credit Corporation funds to increase fluid milk consumption by children attending elementary and high schools. The program was established for the period September 1, 1954 through June 30, 1956 and provided for the annual use of up to $50 million of CCC funds for this purpose.

The school milk program has a threefold approach to the objective of increased consumption. It is designed to: (1) Enable more schools to operate a milk service for attending children; (2) encourage a larger percentage of children to drink milk in those schools already operating a milk service; and (3) permit those children now drinking milk at school to drink more if they so desire.

Under the program, schools receive cash reimbursement payments to assist them to increase milk consumption by attending children. These payments are used by the school to reduce the price of milk to children and to help cover the cost of establishing or expanding the schools' milk service operation. For example, a school may need to purchase additional refrigeration equipment or hire additional labor in order to make milk available at more times during the school day.

The basic administrative features of this program closely parallel those of the National School Lunch Program. State educational agencies administer the program within the various States. The Department of Agriculture establishes the maximum rates of reimbursement that may be paid per half pint of milk and State agencies adjust rates to the needs of individual schools. Participating schools purchase the milk from their regular suppliers. At the end of each month, each school submits a claim to the State agency for the amount of reimbursement to which it is entitled.

1/ This article, the third in a series, was prepared by Isabelle M. Kelley, Food Distribution Division, AMS, U. S. Department of Agriculture. The first article, "The National School Lunch Program", appeared in the May 1955 issue of The National Food Situation (NFS-72), and the second, "Direct Distribution", in the November 1955 issue (NFS-74).

Schools participating in the program receive reimbursement for all milk served to children over and above the first half pint of milk served as part of a Type A or B lunch, for which schools receive separate reimbursement under the National School Lunch Program. Under the milk program, schools serving Type A or B meals may receive up to 4 cent per half pint in reimbursement for the milk served in addition to that in these meals. All other schools may receive up to 3 cents per half pint for all milk served to children.

The program provides that maximum use of the reimbursement payments received by a school must be made to reduce the price of milk to children. This is because operating experience last year, together with the results of a series of studies undertaken by the Department and State educational agencies, showed that an effective pricing policy is essential as the starting point in a school's effort to increase milk consumption. In fact, the program, as originally announced in September 1954, was revised for the 1955-56 year to enable more schools to establish a more effective pricing policy.

The more than 62,000 schools now in the Special School Milk Program represent a 50 percent increase over the peak number of schools participating in the program last year. In November, the latest month for which reports are available from States, a total of approximately 160 million half pints of milk were consumed by children under the program. When the milk consumed as part of a Type A and B lunch is added to this, the total number of half pints of milk consumed by children under both the school lunch and school milk program reached approximately 340 million half pints in November 1955. It is estimated that a total of 3 billion half pints of milk will be moved into consumption during the 1955-56 school year under the school lunch and school milk programs.

A special survey of milk sales in schools during October 1955 was undertaken by the Department in order to provide more detailed information on increased consumption in schools as a result of the special program. The survey covered more than 1,400 individual schools located in 14 States and the District of Columbia. While the survey schools do not represent a national sample, the results indicate how the program is stimulating increased fluid milk consumption.

First, the survey showed that the Special School Milk Program is helping schools stimulate increased consumption through effective pricing. In October 1953 most of the schools included in the survey were charging children from 6 cents to 8 cents for a half pint of milk. In October 1955, with the exception of one city school system, the price in these schools was 4 cents or less per half pint.

Second, sales of milk outside of that included in Type A or B lunches had been substantially increased. Such sales averaged over 80 percent higher in October 1955 than in the same month in 1953.

The President's message to the Congress on needed farm legislation in 1956 recommended that the authority to operate the Special School Milk Program be extended for an additional 2 years--through June 30, 1958. The message also recommended that the amount of funds available to the program be increased to $75 million for each of the next 2 years.

MEASURING STOCK CHANGES 1/

Stocks are probably the least understood of any measure relating to the supply and use of agriculture commodities. The purpose of this article is to explain stocks as presented in the recently published indexes of the supply and utilization of all farm commodities. 2/

The indexes are on a calendar year basis, so stocks are measured as of the beginning of the year and represent those supplies remaining from domestic production and imports of preceding years. January 1 stocks of individual commodities either have been deliberately acquired or retained during the preceding year to supply the market until new production or imports are available, or are supplies in excess of domestic needs and exports during the preceding years. Thus, the level of total stocks in general reflects the effects of many factors relating to individual farm commodities, among which are (1) degree of success in anticipating the supply and demand situation in the preceding year, (2) the supply and demand situation anticipated for the current year and (3) acquisitions and disposition of surplus supplies under the price-support programs operated by the U. S. Department of Agriculture. Stocks function as a reservoir, being added to by new production and imports and being drawn upon as needed . Changes in level from year to year show to what extent new supplies have met the demands.

Compilation of Stocks Information for the Index of Supply and Utilization

In general, stock data used in the indexes are compiled from two major sources: Official reports of Federal government agencies--mainly the U. S. Department of Agriculture and U. S. Department of Commerce--and commercial organizations. Reports from commercial sources are used to obtain information not reported by Government agencies or to supplement official reports.

1/ This article was prepared by Harry Sherr and Leva C. Taylor, Statistical and Historical Research Branch, AMS, U. S. Department of Agriculture.

2/ Indexes and related information appear in Measuring the Supply and Utilization of Farm Commodities; New Indexes, 1924-54 (Agriculture Handbook No. 91).

In some cases the reported data are adjusted. One reason for adjustment is to convert to a January 1 basis the stocks reported as of some other date. Another, is to obtain more complete coverage.

For some commodities the change in stocks was either estimated or assumed to be constant. Prior to 1950, stocks of margarine were not reported, so the change from year to year was derived as a residual from reported data on production, foreign trade and sales for domestic consumption. For hides, January 1 stocks were assumed to be the same since 1946, when official reporting on stocks in all hands was discontinued.

United States Department of Agriculture inventories as of January 1 which were acquired to fulfill specific export commitments made by the Department are not treated as supplies in the index. These commodities are assumed to have moved into channels of utilization and are not available for general use in the future.

A comprehensive and comparable measure of January 1 stocks over a long period of years is not possible because of changes over time in commodity coverage and in reporting by position (i.e., on farms and in channels of distribution). However, the effects of deficiencies in the data are minimized in the index of supply and utilization of farm commodities by using changes in stocks during each year rather than stocks as such. In order to do this stocks at the end of the year are made comparable--i.e., as to commodity coverage, positions reported, and method of estimating--with those at the beginning of the same year. Despite deficiencies, the stock series used in compiling the index are considered reasonably satisfactory indicators of changes taking place in holdings of farm commodities throughout the economy.

Stocks of the various farm commodities were combined by using the weighted average of prices received by farmers during the three years, 1947-49.

The Contribution of Stocks to Total Supplies Utilized Annually

Since 1924 annual changes in stocks of all farm commodities and their products were 3 percent or more of total utilization in 1 out of 3 years. The large changes in stocks of nonfood farm commodities (i.e., those having only nonfood uses) relative to their utilization--3 percent or more in 2 out of 3 years--were more than counterbalanced by either offsetting or more moderate changes for the food commodities. In total, stocks were drawn on heavily during the drought years 1933, 1934 and 1936 and the war year 1943. Particularly heavy rebuilding of stocks occurred in 1935, 1937 and 1938--the years following the drought.

During the three decade period, total stocks on January 1 available for use during the same year represented a third, or a little over, of the quantity utilized annually. Since 1954, January 1 stocks have been a little higher in relation to utilization during the year than the previous record in 1939-42.

Commodity Composition of Stocks in the Index

An economic analysis of total stocks is not complete without reference to commodity composition. Changes in stocks over time reflect trends in production and utilization of individual items. Also, for individual years, the implications of stocks with respect to prices farmers receive for their output need to be evaluated in terms of individual farm products.

What has been the commodity composition of January 1 stocks during the past three decades? Since 1924 feed grains (corn, oats, barley and grain sorghums) have accounted for 25 to 35 percent of total year-beginning stocks. Twice on January 1 were holdings of feed grains relatively less important--1935 and 1937, which followed years of severe drought. Calendar year-beginning stocks of feed grains are necessarily large because of the heavy tonnage needed for feeding livestock during the winter months when no pasture is available in many sections of the country. In recent years, however, feed grain stocks have been much larger than required to fill domestic and export needs until the next crop is harvested.

The relative importance of food grains, mostly wheat, in the January 1 total stocks over time has ranged from a low of 9 percent in 1937 to a high of 17 percent in 1956. Year-beginning stocks of wheat have been unusually high since 1953 mainly because crops have been large, domestic food use has been relatively stable, and our exports have declined since the immediate post-World War II period when war-damaged nations were rehabilitating their agricultural plant or their food distribution channels or both. On January 1, 1956 wheat stocks were sufficiently large to supply anticipated total needs for at least the next year and a half even if the wheat crops in that period were a complete failure. Normally, calendar year-beginning stocks should be equivalent to about an 8-months supply, to cover domestic needs and exports until marketing of the next crop begins.

January 1 cotton stocks have accounted for 9 to 20 percent of total stocks of farm commodities during the 33 years covered by the index. Calendar year-beginning stocks normally make up a large part of the cotton used during the year. Since 1953 cotton stocks have been increasing and by the beginning of 1956 were almost twice as large as anticipated domestic use and exports during the year.

The proportion of total January 1 stocks of farm commodities represented by tobacco has been remarkably stable since 1924, within the range of 10 to 15 percent. However, the trend in year-beginning stocks has been upward over time, and in 1956 were twice as large as in 1924. This increase is in part due to the larger crops and the expansion in domestic use of tobacco. The rise in domestic stocks since the end of World War II is also due to the fact that holdings of U. S. tobacco in important foreign markets has been low relative to their needs. Because tobacco must be aged over a long period of time, domestic stocks on January 1 are equivalent to about a $2\frac{1}{2}$ year supply.

Meat animal products--including meats, animal fats, hides, skins and pulled wool--have represented a small part of total January 1 stocks since 1924. The high points were reached in 1935 and in 1937, when they accounted for 7 percent and almost 6 percent, respectively, of year beginning stocks. These dates followed periods of severe drought, when meat animal slaughter was unusually heavy. Large year-beginning holdings are not necessary since commercial slaughter of meat animals occurs throught-out the year.

Dairy products (measured in terms of equivalent milk solids) normally account for a small percentage of total January 1 stocks of farm commodities. Since 1924 the range has been from less than one half to 2 percent of total holdings.

Who Owns the Stocks?

In addition to commodity composition, the analysis of January 1 stocks requires the knowledge of who owns the stocks. For example, stocks owned by the Commodity Credit Corporation--acquired under price-support programs or purchased for specific distribution programs--have less effect on current market prices than do stocks held by farmers as collateral for CCC loans or unencumbered holdings of farmers, processors or distributors. This is one of the objectives of the Government price support program.

The bulk of total stocks of farm commodities available on January 1 has always been held in the non-Government sector of our economy (by farmers, processors and distributors). However, its proportion to total stocks has moved downward in recent years, while that of Government holdings has moved upward.

During the 1930's Government price-support stocks were relatively minor in terms of total holdings. From 1940 to 1946 CCC stocks on January 1 ranged from 5 to 10 percent of the U. S. total. In the immediate postwar period, when transportation facilities became available for civilian use, large quantities of farm commodities were exported to war-torn countries.

CCC stocks were reduced in 1946, and with exports continuing at a high level, CCC stocks on January 1 of 1947, 1948 and 1949 remained at much less than 5 percent of total inventories held in the United States on those dates. CCC stocks on January 1 in the years that followed expanded, ranging from 10 to 23 percent of total U. S. stocks in the period 1950 to 1956. In relation to production, CCC stocks during the years 1940-46 ranged from 2 to a little over 4 percent, declining to the range 0.7 to 1 percent in the period 1947-49. Beginning in 1950 January 1 CCC stocks in relation to annual production was at a higher level, reaching a peak of over 8 percent in 1955.

Although on an overall basis January 1 stocks held by the Commodity Credit Corporation have generally been a small part of total stocks in the United States on the same date, in terms of some important farm commodities --wheat, feed grains, rice, cotton and dairy products (milk equivalent basis) --they have been very large in the past several years. The following is a brief review of the relative size of January 1 CCC holdings of these important commodities in the recent past:

(a) Wheat--CCC January 1 holdings from 1950 to 1953 ranged from 12 to 27 percent of total domestic stocks of wheat. Beginning with 1954 CCC stocks rose sharply and by 1956 accounted for almost 60 percent of the total.

(b) Rice holdings by the CCC were a negligible part of total U. S. rice stocks, 1951 to 1954. However in 1955 they represented 5 percent of the total, and in 1956 about 37 percent.

(c) Feed grains, mostly corn, ranged from almost 10 to almost 20 percent of total U. S. feed grains stocks from 1951 to 1956, reaching a peak in the latter year.

(d) Cotton holdings were equal to 25 percent of total national stocks in 1950, but declined subsequently and by 1952 CCC held no cotton. Holdings remained relatively small until 1955, when they amounted to 10 percent of total U. S. stocks of cotton. On January 1, 1956 CCC stocks were equivalent to almost 40 percent of total stocks.

(e) Dairy products--except for 1952 and 1953, January 1 holdings have represented a relatively very large part of total U. S. stocks. In 1950 they were equivalent to over half of the total; over three-fourths in 1951 and 1954; in 1955 accounted for almost nine-tenths of national total stocks of dairy products. Holdings at the beginning of 1956 represented two-thirds of the total.

Limitations of Data on Stocks in the Index

Some limitations of the usefulness of the subindexes on stocks have already been mentioned, as in the discussion on the compilation of the stocks data. In addition, it is necessary to remember that some stocks must always be retained in distribution channels for operating purposes. Their precise quantities are difficult to determine, but they bear some relation to total utilization of farm commodities. Also important is the commodity composition of available stocks; the degree of commodity interchangeability is limited. For example, very large stocks of grains are not directly usable to meet heavy demand for meat in a particular year, although they may lead to larger livestock output within 2 or 3 years if they are not held off the market by the Commodity Credit Corporation.

The subindex of stocks, as a part of the supply-utilization index, is on a January 1 basis. For individual farm commodities stocks as of some other date during the year--the ending of a crop or marketing year--may be more logical for analytical purposes.

The farm-equivalent value of stocks, based on constant 1947-49 average farm price, is a specialized measure which is consistent with the other data in the index of supply and utilization of farm commodities. Hence these stock data are not comparable with published inventory information because the latter include market value of processed items and accumulated costs of handling, transportation and storage.

Finally, changing coverage of reports on stocks requires careful analysis when using the stock index.

SURVEY OF INPLANT FOOD SERVICES 1/

The Department of Agriculture is sponsoring a nationwide survey to collect from industrial establishments information on the marketing practices and channels used by their employee food services. In addition to national estimates, the study will provide data by region, size of plant, and type of management of the feeding facility. The survey is a part of the broad program of the Department to assist in the marketing and utilization of farm products. It is being carried on by the Marketing Research Division, AMS.

1/ This section was prepared by Rosalind C. Lifquist, Market Organization and Costs Branch, AMS, U. S. Department of Agriculture.

The major part of the data will be collected from a sample of about 400 establishments, each employing 250 persons or more and maintaining food services for their employees. Detailed reports on beginning and ending inventories of food and purchases during a 4-week period will be obtained. These will provide information on size of stocks, quantities and quality of food used, quantities usually purchased at one time, size of units purchased, amount of money spent for food, and the commercially-added services used.

In addition, managements of these manufacturing plants will be interviewed to ascertain their attitude toward and current plans for the extension or reduction of food services, use of vending machines, and appraisal of suppliers. Similar information will be obtained from management of about 70 manufacturing plants of the same size not currently maintaining food services for their employees.

Less complete information will be collected from a sample of manufacturing establishments with 100-249 employees. This will be primarily to determine the importance of food services in smaller-sized plants.

A private marketing research firm is conducting the survey under contract with the Department and collection of data started early in January 1956. Present plans call for preliminary releases of results by commodity groups and in one overall appraisal of this market. The first releases are expected to be available by late 1956 or early 1957.

INDEX OF SPECIAL ARTICLES IN NATIONAL FOOD SITUATION SINCE 1946 1/

A. Supply and use of U. S. farm commodities:

Distribution of U. S. Food Supplies in:
1946-47, NFS-42, Nov. 1947
1947-48, NFS-46, Dec. 1948
1948-49, NFS-50, Oct. 1949
1949-50, NFS-54, Oct. 1950
1950-51, NFS-58, Oct. 1951
1951-52, NFS-62, Oct. 1952
(series discontinued)

Estimated Use of Selected Agricultural Commodities in the Manufacture of Alcoholic Beverages, NFS-60, June 1952
Notes on Revision of Food Indexes, NFS-66, Oct. 1953
Introduction of the Index of Supply-Utilization of All Agricultural Products, NFS-70, Oct. 1954
Food Distribution Programs of the Department:
Part I. The National School Lunch Programs, NFS-72, May 1955
Part II. Direct Distribution, NFS-74, Nov. 1955
(series still in process)

March Report on Farmers' Intentions to Plant, NFS-72, May 1955 (Tables comparing acreage intentions with actual plantings carried each year in the Spring issue)
New Survey of Food Consumption, NFS-72, May 1955
Changing Food Patterns of the American People, NFS-73, Aug. 1955

B. Commodity studies:

Revised Estimates of the Supply and Distribution of Meats in 1944-47, NFS-44, May 1948
The Use of Nonfat Dry Milk Solids in School Lunch Program, NFS-44, May 1948
Supply and Distribution of Fishery Products in the Continental United States, NFS-45, Aug. 1948
Growing Importance of Nonfat Dry Milk Solids in the United States, NFS-51, Feb. 1950

1/ A summary of special articles published prior to 1947 appears in the December 1946 issue of The National Food Situation (NFS-38).

INDEX OF SPECIAL ARTICLES IN NATIONAL FOOD SITUATION
SINCE 1946 1/ - Continued

C. Nutrition studies:
Nutritional Aspects of Wartime Changes in Food Consumption, NFS-42, Nov. 1947
Cereal Food Enrichment in the United States, 1946-48, NFS-49, Aug. 1949
Review of Cereal Food Enrichment in the United States, 1948-50, NFS-54, Oct. 1950
Review of Cereal Food Enrichment in the United States, 1950-53, NFS-69, Aug. 1954
Nutrients Contributed by Major Food Groups, NFS-74, Nov. 1955

D. Food supplies in foreign countries: A review of the world food situation, by area and commodity, in prospect for the coming year is presented in the "Outlook" issue in the Fall of each year.

NEW PUBLICATIONS

Supplement for 1954 to Consumption of Food in the United States, 1909-52, Agriculture Handbook No. 62. This contains the complete set of statistical tables presented in the original AH-62 with data carried through 1954. (AH-62, Supp.)

Measuring the Supply and Utilization of Farm Commodities, New Indexes, 1924-54, Agriculture Handbook No. 91. This bulletin presents a broad statistical measure of the changes in the supply and use of all agricultural products and includes subindexes for the various components by type of commodity. Value aggregates given in the appendix provide opportunity to adjust items to meet the need of a particular analysis. In addition, the handbook includes a description of sources of data, limitations of the measures, and evaluation of the indexes. (AH-91)

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Table 4 .- Production of major food commodities, calendar years, 1935-39 and 1947-49 averages, 1953-55, and forecasts for 1956, with percentage comparisons 1/

Commodity	Unit	Average 1935-39	Average 1947-49	1953	1954	1955 preliminary	Forecasts: for 1956 2/	1956 as a percentage of 1935-39	1956 as a percentage of 1947-49	1956 as a percentage of 1955
Meats (carcass weight)										
Beef	Mil. lb.	6,937	9,649	12,433	12,991	13,615	14,000	202	145	103
Veal	Mil. lb.	1,038	1,454	1,556	1,656	1,597	1,575	152	108	99
Lamb and mutton	Mil. lb.	870	716	728	734	758	725	83	101	96
Pork (excluding lard)	Mil. lb.	7,337	10,281	10,063	9,952	11,016	11,400	155	111	103
Total meats		16,182	22,100	24,780	25,333	26,986	27,700	171	125	103
Fish (edible weight)										
Fresh and frozen	Mil. lb.	615	706	660	685	3/	3/	---	---	---
Canned 4/	Mil. lb.	337	484	412	460	3/	3/	---	---	---
Cured	Mil. lb.	74	70	62	62	3/	3/	---	---	---
Total fish	Mil. lb.	1,026	1,260	1,134	1,207	1,172	3/	---	---	---
Poultry and eggs										
Eggs	Mil.doz.	3,335	5,086	5,713	5,993	6,118	6,213	186	122	102
Chicken (ready-to-cook)	Mil. lb.	1,730	2,753	3,715	3,956	3,820	4,110	238	149	108
Turkey (ready-to-cook)	Mil. lb.	288	492	725	816	775	837	291	170	108
Dairy products										
Total milk 5/	Bil. lb.	105.9	116.3	120.5	122.3	123.6	126.5	119	109	102
Cheese 6/	Mil. lb.	673	1,160	1,344	1,383	1,353	1,355	201	117	100
Condensed and evaporated milk	Mil. lb.	2,225	3,497	2,875	2,844	2,909	2,925	131	84	101
Ice cream (product weight)	Mil. lb.	1,279	2,758	2,904	2,866	3,023	3,100	242	112	103
Fats and oils										
Butter, farm and factory (actual weight)	Mil. lb.	2,195	1,611	1,630	1,660	1,587	1,600	73	99	101
Lard 7/	Mil. lb.	1,630	2,419	2,368	2,348	2,675	2,790	171	115	104
Margarine (actual weight)	Mil. lb.	372	839	1,292	1,364	1,333	1,350	363	161	101
Shortening	Mil. lb.	1,529	1,434	1,675	1,961	1,975	1,950	128	136	99
Other edible fats and oils 8/	Mil. lb.	2,157	3,912	5,389	5,472	5,754	5,990	278	153	104
Total fats and oils (fat content) 9/	Mil. lb.	5,554	7,627	9,069	9,156	9,807	10,068	181	132	103
Fruits										
Fresh:										
Citrus	Mil. lb.	6,875	8,782	7,838	7,586	7,798	7,600	111	87	97
Apples (commercial)	Mil. lb.	4,385	3,791	3,208	3,407	3,400	3/	---	---	---
Other (excluding melons)	Mil. lb.	4,648	4,508	4,142	3,942	3,810	3/	---	---	---
Processed:										
Canned fruit	Mil. lb.	1,705	2,584	2,876	2,964	3,400	3/	---	---	---
Canned fruit juices	Mil. lb.	333	2,230	1,924	2,046	1,875	3/	---	---	---
Frozen (including juice)	Mil. lb.	106	416	1,254	1,280	1,430	3/	---	---	---
Dried	Mil. lb.	1,118	1,008	863	805	840	3/	---	---	---
Vegetables										
Fresh, total commercial 10/	Mil. lb.	18,565	23,041	25,066	25,140	25,158	3/	---	---	---
Canned	Mil. lb.	4,030	6,064	7,184	6,667	6,900	3/	---	---	---
Frozen	Mil. lb.	11/78	454	1,103	975	1,020	3/	---	---	---
Potatoes	Mil. bu.	355	414	380	356	382	3/	---	---	---
Sweetpotatoes	Mil. bu.	68	46	34	30	38	3/	---	---	---
Dry edible beans 12/	Mil. lb.	1,360	1,854	1,682	1,706	1,729	3/	---	---	---
Dry field peas 12/	Mil. lb.	229	401	297	308	246	3/	---	---	---
Canned baby foods	Mil. lb.	37	469	666	683	700	3/	---	---	---
Sugar, raw basis	1,000 short tons	1,948	2,065	2,375	2,610	2,380	2,350	121	114	99
Grains										
Wheat	Mil. bu.	759	1,251	1,169	985	938	925	122	74	99
Rye	Mil. bu.	44.9	23.1	18.2	24.3	29.2	3/	---	---	---
Rice, milled	Mil. lb.	1,340	2,333	3,112	3,372	4,033	3,414	255	146	85
Corn, grain only	Mil. bu.	2,050	2,788	2,876	2,680	2,857	3/	---	---	---
Oats	Mil. bu.	1,045	1,294	1,209	1,497	1,576	3/	---	---	---
Barley	Mil. bu.	239	279	243	370	391	3/	---	---	---
Peanuts, farmers' stock basis	Mil. lb.	1,230	2,128	1,589	1,025	1,610	3/	---	---	---

1/ Calendar year basis except for fresh citrus fruit for which the season begins in the fall of the previous year; dried fruits on a pack-year beginning year indicated; rice on a marketing year ending year indicated. 2/ Forecasts or preliminary indications based on trends in livestock numbers, current or prospective rates of output, average or probable acreages and yields, and such other data or advance estimates as are available. These forecasts are used only to indicate the general level of food supplies for domestic consumption for 1956, and are not official estimates of production. Revisions will of course be made from time to time throughout the year as official indications or estimates are issued through the Crop Reporting Board of the Department. 3/ Not available. 4/ Excludes products containing small quantities of fish such as clam chowder, etc. 5/ Includes farm production of milk as reported by the Crop Reporting Board and an allowance for nonfarm production ranging from 2.3 billion pounds in 1935-39 down to 0.2 billion in 1955. 6/ Excludes full skim, cottage, pot, and bakers' cheese. 7/ Includes amount used in manufactured food and nonfood products. 8/ Includes cottonseed, peanut, soybean, corn, edible olive, and oleo oils, oleo stock, oleostearine, and edible tallow later processed into margarine, shortening, cooking and salad oils, etc., and nonfood items. 9/ Includes butter, lard, and "other edible fats and oils." 10/ This series covers total commercial production for sale as fresh, both for shipment to distant markets and for local markets; includes quantities not harvested and use of a few minor vegetables for processing. Excludes farm garden output for farm household use. 11/ Average 1937-39. Data prior to 1937 are not available. 12/ Cleaned basis.

Table 5.- Retail food prices and total consumer price index, United States, 1945-53 and 1954-55 by months

(Index numbers, 1947-49 =100)

Year and month	Meats 1/	Eggs	Dairy products 2/	Fats and oils 3/	Cereals and bakery products	Fruits and vegetables	Sugar and sweets	Beverages	All foods 4/	Consumer price index
1945	56	81	70	69	66	87	72	61	69	77
1946	69	83	86	84	76	89	81	68	79	83
1947	94	99	97	110	94	98	102	92	96	96
1948	106	102	106	108	103	100	98	100	104	103
1949	100	99	97	82	103	102	100	108	100	102
1950	105	85	96	80	104	98	102	153	101	103
1951	117	104	107	94	114	107	106	169	113	111
1952	116	95	112	79	117	117	106	170	115	114
1953	110	100	110	80	119	114	108	174	112	114
1954	108	84	106	84	122	112	110	207	112	115
Jan.	110	96	110	84	121	111	108	183	113	115
Feb.	110	94	109	83	121	108	108	190	112	115
Mar.	110	83	108	83	121	108	108	198	111	115
Apr.	110	80	105	83	121	110	108	210	112	115
May	111	77	104	84	121	115	108	217	113	115
June	111	76	103	84	121	117	109	222	113	115
July	110	82	104	84	122	120	110	225	114	115
Aug.	108	88	105	85	122	115	110	226	113	115
Sept.	107	85	106	85	123	110	111	209	112	115
Oct.	104	86	107	85	123	111	112	207	111	114
Nov.	104	83	107	83	123	110	113	200	110	115
Dec.	102	77	107	83	123	108	113	201	109	114
1955 5/	102	87	106	81	124	114	112	186	110	114
Jan.	102	74	106	82	123	111	113	202	109	114
Feb.	102	85	106	82	124	111	113	191	110	114
Mar.	102	86	105	82	124	112	113	187	110	114
Apr.	103	79	105	82	124	118	113	186	110	114
May	102	76	104	81	124	120	113	185	110	114
June	104	77	104	81	124	120	113	180	110	114
July	104	82	105	81	124	122	113	180	111	115
Aug.	103	93	106	82	124	111	113	180	110	114
Sept.	104	98	106	81	124	110	113	182	110	115
Oct.	101	98	108	81	124	108	110	185	109	115
Nov.	97	95	108	81	124	109	109	186	108	115
Dec.	95	99	108	80	124	111	109	184	108	115

1/ Includes chicken and fish.
2/ Includes butter.
3/ Excludes butter.
4/ Includes only foods consumed at home.
5/ Annual average computed from the published monthly figures by AMS.

Bureau of Labor Statistics.

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The NATIONAL FOOD SITUATION

NFS-76

In this issue:
March Report on Farmers' Intentions to Plant (p. 16)
Food Distribution Programs of the Department: Part IV. The Plentiful Foods Program (p. 16)
Domestic Nonfood Use of Agricultural Commodities (p. 23)

AMS

Approved by the Outlook and Situation Board, April 24, 1956

SUMMARY

Continued large supplies of food are in prospect for late spring and early summer. Retail food prices are expected to remain fairly close to the present level, and not much different from a year earlier.

Livestock products in the next few months will be plentiful. There will be plenty of beef, milk and dairy products, eggs and chicken. Pork supplies will continue above a year earlier, though production will be declining and prices strengthening as the marketing season for the 1955 fall crop hogs closes and that for this year's spring crop begins. Less canned fish will be available than a year earlier at least until about late summer. Fresh vegetables will become more plentiful seasonally as summer approaches, but supplies of the processed commodities will continue lower than a year earlier and slightly higher priced until the 1956 packs start moving to market in volume after midyear. More fresh deciduous fruit will be available this spring and early summer than last if growing conditions are average. Supplies of fresh oranges are larger this spring than a year ago, but indications point to a reversed situation

(Continued on page 3)

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE

Table 1.- Volume of farm marketings and home consumption and civilian per capita food consumption, 1935-39 average, 1949-55, and preliminary indications for 1956, with percentage comparisons 1/

(Index numbers, 1947-49=100)

Item	1935-39 average	1949	1950	1951	1952	1953	1954	1955 preliminary	Indications for 1956 2/	1956 as a percentage of 1935-39	1956 as a percentage of 1955
Marketings and home consumption of all farm commodities 3/	73	103	99	101	105	109	110	112	111	152	99
Food grains 4/	54	98	81	77	98	96	88	80	71	131	89
Vegetables 5/	84	98	99	100	96	98	97	100	99	118	99
Fruits and nuts 6/	90	97	97	106	101	102	102	106	105	117	99
Sugar crops	107	94	116	93	94	105	118	110	102	95	93
Total food crops 7/	73	98	91	91	96	98	93	92	88	121	96
Meat animals	72	99	100	104	108	110	114	117	122	169	104
Poultry and eggs	63	105	111	118	123	125	133	134	141	224	105
Dairy products	88	101	101	99	100	105	108	108	110	125	102
Total food livestock 8/	75	101	102	105	109	112	116	118	123	164	104
Food marketings and home consumption	74	100	99	102	105	108	110	111	113	153	102
Civilian per capita food consumption	91	99	9/100	9/98	9/101	9/102	9/102	9/103	104	114	101

1/ Index of volume of farm marketings and home consumption supersedes the series on volume of agricultural production for sale and for farm home consumption. This index does not include revisions based on the 1954 Census of Agriculture. 2/ Indications for 1956 are based on calendar-year quantities estimated as of April. 3/ Food and nonfood items. 4/ Wheat, rye, rice, and buckwheat. 5/ Truck crops for fresh use and processing, potatoes, sweetpotatoes, dry edible beans, dry field peas, and mung beans. 6/ Except peanuts. 7/ In addition to the crops listed above, includes peanuts, peppermint, popcorn, spearmint, and vegetables grown under glass. 8/ Also includes honey, but excludes turkey hatching eggs. 9/ Revised.

Table 2.- Index of supply-utilization of farm food commodities, 1935-39 and 1947-49 averages, and 1947-55 1/

Year	Production	Imports	Stock change 2/	Total utilization	Domestic use: Food: Civilian	Domestic use: Food: Military 3/	Domestic use: Nonfood 4/	Domestic use: Total	Commercial exports and shipments to Territories 5/	Department of Agriculture export program: Stock change 6/	Department of Agriculture export program: Deliveries 7/	Department of Agriculture export program: Net purchases 8/
Section a. Percentage of total utilization in each year												
1935-39	93.9	8.2	-2.1	100.0	67.8	---	30.1	97.9	2.1	---	---	---
1947-49	95.6	6.5	-2.1	100.0	65.0	2.6	27.6	95.2	2.9	---	1.9	1.9
1947	91.7	6.0	2.3	100.0	64.4	2.3	27.4	94.1	3.3	0.4	2.2	2.6
1948	100.3	6.8	-7.1	100.0	65.8	2.8	27.2	95.8	2.7	-.2	1.7	1.5
1949	94.9	6.8	-1.7	100.0	64.7	2.7	28.1	95.5	2.9	-.2	1.8	1.6
1950	94.7	6.9	-1.6	100.0	65.5	1.4	28.6	95.5	3.2	-.1	1.4	1.3
1951	89.8	6.8	3.4	100.0	63.0	2.7	27.7	93.4	4.6	.3	1.7	2.0
1952	95.0	7.0	-2.0	100.0	65.9	2.0	26.6	94.5	5.2	-.1	.4	.3
1953	95.6	7.1	-2.7	100.0	67.2	1.9	26.0	95.1	4.4	9/	.5	.5
1954 10/	96.1	6.3	-2.4	100.0	68.1	1.6	25.2	94.9	4.7	9/	.4	.4
1955 10/	95.5	6.4	-1.9	100.0	68.0	1.3	24.4	93.7	5.5	9/	.8	.8
Section b. Percentage of total utilization in 1947-49												
1935-39	71.8	6.3	-1.6	76.5	51.8	---	23.1	74.9	1.6	---	---	---
1947-49	95.6	6.5	-2.1	100.0	65.0	2.6	27.6	95.2	2.9	---	1.9	1.9
1947	93.8	6.1	2.4	102.3	65.8	2.4	28.1	96.3	3.4	0.4	2.2	2.6
1948	97.9	6.6	-6.9	97.6	64.2	2.7	26.6	93.5	2.7	-.2	1.6	1.4
1949	95.1	6.8	-1.7	100.2	64.8	2.7	28.2	95.7	2.9	-.2	1.8	1.6
1950	96.0	7.0	-1.6	101.4	66.4	1.4	29.0	96.8	3.2	-.1	1.5	1.4
1951	94.6	7.2	3.6	105.4	66.4	2.9	29.2	98.5	4.8	.3	1.8	2.1
1952	99.4	7.3	-2.1	104.6	68.9	2.1	27.8	98.8	5.5	-.1	.4	.3
1953	101.2	7.5	-2.9	105.8	71.0	2.0	27.5	100.5	4.7	9/	.6	.6
1954 10/	102.6	6.7	-2.6	106.7	72.6	1.7	26.8	101.1	5.1	9/	.5	.5
1955 10/	106.8	7.2	-2.2	111.8	76.0	1.5	27.3	104.8	6.1	9/	.9	.9

1/ Covers farm commodities normally used for food in the United States, including their nonfood use. Relationships were developed from quantitative data on supply and use of unprocessed and processed farm products multiplied by average prices in 1947-49. All values were adjusted to farm values. For methodology see Agriculture Handbook 91, Measuring the Supply and Utilization of Farm Commodities, New Indexes, 1924-54. Production data do not include revisions based on the 1954 Census of Agriculture. 2/ Includes farm and commercial stocks and holdings under price support programs. Minus sign means an addition to stocks; plus sign means a withdrawal from stocks. 3/ Includes civilian feeding in areas occupied by our Armed Forces. 4/ Includes seed, feed, industrial alcohol, alcoholic beverages, etc. 5/ Excludes deliveries by the Department of Agriculture. 6/ Stocks held for export. Here, minus sign means a withdrawal from stocks; plus sign means an addition. 7/ Shipments out of this country. 8/ Represents net quantities withdrawn from domestic commercial channels. 9/ Less than 0.05 percent. 10/ Preliminary.

Continued from cover page -

for the summer. More food fats and oils are available this year than last, but supplies will tighten a little and prices firm up a bit this summer because of the continued heavy exports of lard and vegetable oils.

The report issued on March 16 by the Department summarizing farmers' planting intentions for important crops this spring points to a moderate acreage reduction from last year. The planned reductions occur mainly for these crops for which stocks are heavy. Even if plantings are reduced, supplies will continue large during the coming year. Feed grain crops apparently will furnish the major part of the total acreage reduction from last year.

RETAIL FOOD PRICES

In general, retail prices of food purchased for consumption in the home have been relatively stable in the past year, reflecting the continued abundance and strong demand for food. From last September to February the food price index of the Bureau of Labor Statistics has dropped slightly from month to month, due mainly to declines in meat prices. The index for January-March averaged 2 percent lower than a year earlier, with the decline due almost entirely to lower prices for meats. Fruits and vegetables averaged 2 percent higher than in the winter of 1955, and bakery and cereal products and dairy products were up slightly.

With food supplies continuing plentiful, prospects for the next few months are that retail food prices in general will remain fairly close to the present level. There will be changes for individual foods, reflecting seasonal variations in supply. For example, pork prices will tend to strengthen well into July as the marketing season for 1955 fall crop hogs will be ending and that for 1956 spring crop will be starting. On the other hand, the seasonal expansion in supplies will mean lower prices for most fresh vegetables.

Consumer purchases of foods and other goods and services are at a peak now, and are expected to continue to expand. However, the increase may not be as great as that in prospect for consumer incomes because of the expected continued heavier rate of personal debt repayment in the next few months compared with a year earlier. Expenditures for food, other nondurable goods, and services are expected to remain larger than a year earlier, but those for some important durable goods--principally automobiles and new housing--may continue smaller.

Underlying the strength in general economic activity and employment this year are stepped-up business expenditures for new plant and equipment, heavier expenditures by State and local governments for construction of new schools and highways, and some increase in Federal Government expenditures.

Table 3.- Apparent civilian per capita consumption of major food commodities, primary distribution weight, calendar years, 1935-39 and 1947-49 averages, 1953-55, and preliminary indications for 1956, with percentage comparisons 1/

Commodity	Average 1935-39	Average 1947-49	1953	1954	1955 preliminary	Preliminary indications for 1956	1956 as a percentage of 1935-39	1956 as a percentage of 1947-49	1956 as a percentage of 1955
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Percent	Percent	Percent
Meats (carcass weight) - Total	125.3	146.5	153.7	153.3	161.2	162.5	130	111	101
Beef	54.8	64.7	76.7	79.2	81.2	82.5	151	128	102
Veal	8.1	9.6	9.5	9.9	9.4	9.1	112	95	97
Lamb and mutton	6.7	4.8	4.6	4.5	4.6	4.4	66	92	96
Pork (excluding lard)	55.7	67.4	62.9	59.7	66.0	66.5	119	99	101
Fish (edible weight) - Total	10.9	10.3	10.7	10.7	10.0	10.1	93	98	101
Fresh and frozen	5.3	5.9	5.9	5.9	5.8	2/	---	---	---
Canned 3/	4.8	3.8	4.2	4.2	3.6	2/	---	---	---
Cured	.8	.6	.6	.6	.6	2/	---	---	---
Poultry products									
Eggs (farm basis) - Number	296	380	4/374	4/371	4/366	4/367	124	97	100
Chicken (ready-to-cook)	13.2	18.5	22.6	4/ 22.5	4/ 20.9	4/ 22.9	173	124	110
Turkey (ready-to-cook)	2.1	3.2	4.5	4/ 5.2	4/ 5.0	4/ 5.0	238	156	100
Dairy products									
Total milk fat solids	31.2	29.2	4/26.4	4/26.7	4/27.0	4/27.2	87	93	101
Total nonfat milk solids	39.6	46.6	47.1	48.2	49.3	49.7	126	107	101
Cheese	5.5	6.9	7.3	7.8	7.7	7.8	142	113	101
Condensed and evaporated milk	16.5	19.8	17.1	16.5	15.9	15.7	95	79	99
Fluid milk and cream	330	359	347	348	352	354	107	99	101
Ice cream (product weight)	9.8	18.5	17.7	17.2	17.8	17.9	183	97	101
Fats and oils - Total, fat content 5/	44.8	41.8	43.5	44.9	45.0	45.3	101	108	101
Butter, farm and factory (actual weight)	16.8	10.5	4/8.4	4/8.7	4/8.9	4/9.1	54	87	102
Margarine (actual weight)	2.8	5.5	7.9	8.4	8.0	8.0	286	145	100
Lard	10.9	12.2	11.3	10.2	10.1	10.0	92	82	99
Shortening	11.6	9.5	10.1	11.6	11.3	11.3	97	119	100
Other edible fats and oils	6.4	7.2	8.9	9.3	10.0	10.2	159	142	102
Fruits									
Fresh (farm weight) - Total	137.1	130.4	107.8	102.4	102.3	100.6	73	77	98
Citrus	48.5	54.0	42.8	40.7	40.9	38.9	80	72	95
Apples (commercial)	30.2	25.2	20.2	19.3	19.4)	61.7	70	81	100
Other (excluding melons)	58.4	51.2	44.8	42.4	42.0)				
Processed									
Canned fruit	14.8	18.1	20.6	19.3	20.7	20.4	138	113	99
Canned juices	3.8	15.9	13.7	13.4	13.1	12.8	337	81	98
Frozen (including juices)	.8	3.2	7.0	7.3	8.6	8.4	1,050	262	98
Dried	5.7	4.2	4.0	4.2	4.2	2/	---	---	---
Vegetables									
Fresh, total commercial (farm weight) 6/	140	151	147	146	144	144	103	95	100
Canned	29.6	38.5	41.8	41.0	41.7	41.3	140	107	99
Frozen	7/.4	2.8	5.4	5.9	6.6	7.0	1,750	250	106
Potatoes (farm weight)	128	112	102	103	101	101	79	90	100
Sweetpotatoes (farm weight)	21.3	12.3	8.0	7.6	9.0	7.2	34	59	80
Dry edible beans	8.7	6.6	7.7	8.1	7.8	8.0	92	121	103
Dry field peas	.6	.6	.5	.5	.4	2/	---	---	---
Sugar, refined	96.0	93.8	96.5	95.0	96.3	95	99	101	99
Grains									
Corn products:									
Cornmeal	22.8	13.4	12.0	12.0	12.0	12.0	53	90	100
Corn sirup	7.6	9.8	8.7	8.7	8.8	8.8	116	90	100
Cornstarch	1.3	1.8	1.8	1.7	1.8	1.8	138	100	100
Corn sugar	2.7	4.2	4.0	3.7	3.6	3.7	137	88	103
Breakfast cereals	1.6	1.5	1.5	1.5	1.5	1.5	94	100	100
Hominy	1.4	2.8	2.6	2.6	2.6	2.6	186	93	100
Oat food products	3.8	3.4	3.4	3.4	3.4	3.4	89	100	100
Barley food products 8/	1.4	1.6	1.3	1.3	1.3	1.3	93	81	100
Wheat:									
Flour 9/	157	135	126	124	121	120	76	89	99
Breakfast cereals	3.3	3.1	3.1	3.1	3.1	3.1	94	100	100
Rye flour	2.2	1.4	1.5	1.4	1.4	1.4	64	100	100
Rice, milled	5.7	4.8	5.3	5.3	5.3	5.3	93	110	100
Beverages									
Coffee 10/	13.9	18.0	16.7	14.7	15.1	15.5	112	86	103
Tea	.66	.57	.66	.68	.63	.63	95	111	100
Cocoa beans	4.3	4.0	4.2	4.1	3.9	4.2	98	105	108
Peanuts (shelled)	4.3	4.4	4.5	4.0	4.5	2/	---	---	---

1/ Quantity in pounds except for eggs which are stated in number. Data on calendar year basis except for dried fruits, which are on pack year basis; fresh citrus fruits, dry field peas, and peanuts on a crop year basis; rice on August 1 year; and canned fruit and vegetables on pack year basis in 1935-39. All years begin in year indicated except for fresh citrus, which begins in October of the previous year, and rice, which begins in August of previous year. 2/ Not available. 3/ Excludes canned food products containing small quantities of fish, such as clam chowder, etc. 4/ Revised to incorporate changes resulting from the 1954 Census of Agriculture. 5/ Computed from unrounded data. 6/ This series covers total commercial production for sale as fresh, both for shipment to distant markets and for local markets. Excludes farm garden output for farm household use. 7/ Average 1937-39. Data prior to 1937 are not available. 8/ Barley used for food products in terms of malt equivalent. 9/ Includes white, whole wheat, and semolina flour. 10/ Green bean basis.

Population estimates used to obtain per capita consumption figures are official Census estimates of total population adjusted for under-enumeration and for military personnel not eating out of civilian supplies.

COMMODITY REVIEWS

Meat

Civilian consumption of meat per person was moderately larger this winter than last, with all of the increase in beef and pork. The same pattern is expected for the spring and early summer, although the margin over a year ago will be somewhat narrower than during the first quarter of 1956. The higher rate of meat consumption thus far this year is mainly due to the larger supply and lower prices. The Department distributed some pork products to the School-lunch and other eligible programs. Meat prices during the remainder of the spring are expected to advance somewhat from present levels as supplies decline seasonally, but probably will average a little under a year earlier.

Meat production thus far in 1956 has been considerably above the corresponding months of 1955. The increase has been about equally divided between beef and pork. Beef output in January-March this year was record high for the quarter and about 12 percent above a year earlier. It featured an unusually large proportion of fed beef of the higher grades. Pork production was up about 13 percent from the first quarter of 1955 and one-third from the small output two years earlier. Supplies of veal and of lamb and mutton were close to those of last year.

Red meat production, although varying seasonally and by type, has trended upward since early 1952. Beef accounted for most of the increase until the middle of 1954 when pork output began to expand. Meat production will stay large but the uptrend appears to be leveling off. Total production this spring will continue to be above a year ago but by a smaller margin than in January-March. This summer and fall, meat production probably will be about the same or possible slightly lower than a year earlier.

Beef supplies during the second half of 1956 will likely be about as large as a year earlier. With the civilian population a little larger, the quantity of beef available per person is expected to be slightly smaller. Also, beginning this summer the beef supply is expected to be comprised of less of the top grades and more of the intermediate grades than both a year earlier and in the first quarter of 1956. The decline in the proportion of top grade beef in the total supply is expected because the number of cattle and calves on feed on April 1 in 14 important feeding States was down 8 percent from a year ago. Fed cattle are the principal source for the top grades of beef.

With supplies of top grades of beef likely to become relatively smaller, retail prices for these grades probably will rise in the months ahead. The difference between the top and lower grades of beef will likely be wider than in recent months.

Veal supplies per person during the second half of this year are expected to be about the same as in the latter half of 1955.

Seasonally smaller supplies of pork are in prospect in the next few months, but output this spring will continue above a year earlier. Much of the 12 percent larger 1955 fall pig crop has already moved to slaughter. Supplies during the remainder of the fall-crop marketing season--which extends through July--will likely be above the year-earlier level by less than 12 percent. A prospective decrease in 1956 fall farrowings will make a sizable number of sows available for slaughter this spring and summer.

Pork production is expected to be somewhat smaller this fall than last. The March 1 farrowing report for 9 Corn Belt States shows only a 1 percent decline from a year earlier in December-February farrowings but a planned reduction of 9 percent in April-June. Even though States outside the Corn Belt show a smaller reduction, it seems likely that the reduction for the total spring crop may be greater than the 2 percent indicated by farmers last December.

The retail price of pork will strengthen seasonally this summer, and then decline during the fall. The decline is not expected to be as sharp as a year earlier and prices probably will average somewhat higher than last fall.

Consumer supplies of lamb and mutton will be seasonally low during the next few months, probably close to those of a year earlier. The 1956 early spring lamb crop is estimated to be about 2 percent smaller than last year. Slaughter this fall will be governed largely by the size of the total lamb crop, for which no marked change from 1955 seems likely.

For 1956 as a whole, meat consumption is forecast at 162.5 pounds, up a pound from last year's high level. Consumption of beef is expected to edge to a new high. Net imports of meat will remain at no more than 2 percent of domestic output. Exports of meat (including variety meats) this year are expected to be at least as large as in 1955.

Fishery Products 1/

Total supplies of edible fishery products are expected to continue somewhat lower this spring than last, particularly for the canned commodities. Retail prices for fishery products this spring are expected to average a little higher than a year earlier.

1/ Prepared in cooperation with the Fish and Wildlife Service of the U. S. Department of the Interior.

Supplies of fresh and frozen fishery products will continue to increase during the next few months as commercial fishing operations expand seasonally. Total commercial freezings of fish and shellfish probably will reach a peak between late spring and midsummer. Imports of frozen groundfish (including ocean perch) fillets and blocks are likely to continue larger than a year earlier in the next few months.

The smaller supplies of canned fishery products this spring than last reflect smaller 1955 packs of salmon and Maine sardines than in 1954. There is no likelihood of much improvement in the canned fish supply situation at least until about midsummer, when the 1956 packs will start moving to market in volume. Except for tuna, the production season for the important canned products is from late spring until about midfall. Tuna is canned the year round. It is still too early to forecast the size of the 1956 canned fish pack because of the great uncertainty as to the availability of fish during the canning season.

Civilian per capita consumption of fishery products this spring and early summer probably will be a little lower than a year earlier. This will reflect mainly the lower supplies and somewhat higher prices in prospect.

Poultry and Eggs

Record per capita supplies of poultry meat and liberal supplies of eggs are in prospect for the remainder of this year. Retail prices for eggs and turkeys are expected to be somewhat lower than a year earlier after midsummer, while those of chickens are expected to continue lower at least through the summer.

Civilian consumption of eggs per person this spring probably will be slightly above the rate of a year earlier. Production of eggs is not expected to differ substantially from that of last spring, but less will move into storage. Accordingly, total supplies for current consumption will be a little larger. After midyear, egg supplies probably will be up noticeably from a year earlier, reflecting an increase in both the rate of lay per hen and the size of flocks. Civilian per capita consumption of eggs this summer and fall is also expected to be up some from a year ago. Retail prices of eggs will likely average lower than in the last half of 1955. For the year as a whole, egg consumption per person probably will total slightly over the 1955 rate of 366 eggs. (The rate for 1955 is lower than had been previously estimated, and is based on revisions in production data. The annual consumption estimates for the years 1950-54 have been adjusted downward for the same reason. The revised production estimates for these years are based on an analysis of the results obtained from the 1954 Census of Agriculture.)

Because of the larger and earlier supplies in prospect, the seasonal rise in egg prices to late 1956 may not be as great as last year and the peak may come earlier. In 1955 the peak in retail egg prices reported by BLS was 69 cents a dozen in December. This compared with 55 cents a dozen in April of that year. This April, judging from the level of most wholesale egg prices, retail egg prices averaged slightly above those of a year earlier.

Civilian consumption of chicken meat per person will likely continue above a year earlier, but the margin in the second half of 1956 will not be as wide as in the first half. Supplies of chicken meat until midyear--comprised mostly of commercial broilers--will be about 28 percent larger than in the same period in 1955 because of the much heavier placements earlier this year in the leading producing States. During the second half of 1956 the gain over a year earlier in supplies is expected to be narrower because the increase in broiler production probably will be under the current rate. The recent low broiler prices received by farmers will tend to discourage further sharp increases in placements during the next few months. In late summer, marketings of chickens from farm flocks probably will be larger than a year earlier because of the increased number of chicks raised as replacements to egg-laying flocks.

Beginning in late summer, civilians will have more turkey meat per person than a year earlier. Current marketings of turkeys are seasonally small and prices are higher than during the Thanksgiving and Christmas seasons of 1955. Prices are likely to hold fairly steady until volume marketings of young turkeys from the 1956 crop begin after midsummer.

This year's turkey crop is expected to be record large, much greater than last year's. The prospective increase for the heavy breeds will likely much more than offset the decline indicated for the light-breed (including Beltsville) types. To April 1, the 1956 hatch of heavy-breed poults totaled 6 million more than a year earlier; during the same period almost 1 million fewer light breed poults were hatched this year than last.

Dairy Products

Civilian consumption of milk and dairy products per person (fluid milk equivalent basis) during the next six to nine months is expected to be up a little from a year earlier. However, with larger production commercial supplies of milk and dairy products in the coming months of 1956 will exceed consumption by civilians. Most of the remainder will be absorbed by the Government under the price support program, and subsequently distributed to the domestic School-lunch and other eligible programs. Retail prices during the remainder of the year will be slightly above those which have prevailed in the past year or so largely because of the recently announced increase in the level of support prices for milk and butterfat.

Output of milk is expected to continue above a year earlier through summer, and possibly through the end of 1956. The number of milk cows has been no larger this year than last, but the rate of production per cow has been at record levels. In the first quarter of 1956, milk production totaled 6 percent more than that in January-March 1955. Although this margin is not likely to be maintained, output this year is expected to be around 127 billion pounds, compared with 123.6 billion last year.

Domestic use of fluid milk during the coming months probably will continue above that during the same period in 1955. With consumer incomes at new record high levels, the distribution of milk to civilians through regular commercial sales outlets is expected to exceed the per capita rate of a year earlier. In addition, at least as much milk as a year earlier will be distributed domestically through the Special School Milk Program and other eligible programs. Government financial assistance and distribution of fluid milk through the Special School Milk Program and to military agencies was authorized by the Agricultural Act of 1954. In all areas of the country the supply of milk for fluid use will be adequate to permit a substantial increase in consumption. The retail price of fluid milk is expected to continue slightly higher than a year earlier during the next few months.

Civilian consumption of manufactured dairy products during the remainder of 1956 is expected to total a little higher than a year earlier because of the increase in population. Per capita consumption will be about the same. With retail prices and consumer incomes likely to be slightly above those of a year earlier, consumer purchases of manufactured dairy products through commercial channels during the coming months probably will be about on a par with those in the same part of 1955. Direct distribution of some dairy products by the Government through the School-lunch and other eligible programs will supplement purchases from commercial sources.

Butter and cheese production in coming months is expected to be larger than last year and commercial supplies will exceed civilian demand at prevailing prices. The residual will be bought by the Government under the price support program. Ice cream consumption will be seasonally high in the next 6 months and probably will be at about the same rate per person as a year earlier. Per capita use of butter and ice cream showed significant increases from 1954 to 1955, but that of American cheese and evaporated milk declined slightly. On a milk equivalent basis, civilian use of all dairy products in 1955 was 9 pounds above the 691 pounds per person rate of the preceeding year and 18 pounds above the 1953 rate. An important part of the increase from 1953 to 1955 was accounted for by expanded disposition of Government stocks.

With the increase in population this year over 1955, indications point to an increase in total consumption of dairy products about equal to the prospective increase in production of milk. Consequently, purchases of dairy products for price support in 1956 probably will about equal the

5 billion pounds (milk equivalent) of the past marketing year. For nearly two years disposition of dairy products under the price-support program has exceeded purchases. At the end of the marketing year just closed (March 31) Government holdings of butter were about exhausted; those of nonfat dry milk were very low; but holdings of cheese (at about 228 million pounds) still constituted a major disposition problem. CCC stocks of butter and nonfat dry milk available for distribution will be smaller than last year but, with the large stocks of cheese available, continued heavy disposition of that commodity can be made for some time. Private storage stocks of the several dairy products are seasonally low and are not much different from a year earlier.

The price-support levels for manufacturing milk and butterfat, which influence the level of retail prices, were increased in April as announced by the President on April 16. The new support level for manufacturing milk is $3.25 per 100 pounds and for butterfat 58.6 cents per pound. To bring about the increases announced by the President, purchase prices under the support program were increased 2 cents a pound for butter and one cent a pound for cheese produced on or after April 1. This was in addition to the previous increase (effective April 1) of $\frac{3}{4}$ cent per pound in the Government purchase price for cheese to offset lower returns in whey outlets. Prices received by farmers for milk now are considerably more favorable relative to feed and other livestock products than over the previous decade or so. Current prospects point to continued large output of milk and possibly significant increases, in the next year or two, unless price relationships become less favorable for dairying. Rapid improvements in technology in dairy farming also will tend to increase output.

Fats and Oils

Total supplies of food fats and oils this spring and summer will not differ greatly from last year's very large quantities. Consumption by civilians is likely to continue at the year-earlier per capita rate, and substantial quantities will be exported. Retail prices of fats and oils in general are expected to average somewhat higher this spring and summer than a year earlier, mainly because of the sharp increases that have taken place for cottonseed and soybean oils.

Civilian use of margarine, cooking oils, and salad oils is expected to be about the same this spring and summer as a year earlier, and that of vegetable shortening probably will be down some. Supplies of the vegetable oils (mainly cottonseed and soybean) from which these products are made are heavy, but continued very sizable exports will reduce the heavy supply and add strength to vegetable oil prices. Movement overseas is being encouraged by a high level of economic activity in Europe, short olive crops in the Mediterranean area and reduced output of sunflower seed in Argentina,and various U. S. Government export programs. Mainly because of heavy exports, stocks at the end of the present marketing year (October 1, 1956) will likely be moderately smaller than the substantial carryover of a year earlier.

Lard production will decline in the next few months as marketings of hogs taper off, but is expected to be at least as large as a year earlier. Large quantities also will be available from storage. Civilian consumption of lard (both directly and in shortening) is expected to continue above a year earlier well into the summer, but supplies will exceed consumption. The comparatively low prices and U. S. Government programs will encourage continued heavy exports.

Butter supplies are expected to be somewhat lower this spring and summer than last mainly because of the lower level of Government stocks. Production has been exceeding that of a year earlier--reflecting the increased output of milk--and is expected to continue ahead at least during the next few months. Per capita consumption of butter this spring and summer is expected to be close to the year-earlier rate. However, with production expected to remain above consumption, continued price-support purchases are in prospect.

For 1956 as a whole, civilian per capita consumption of edible fats and oils is expected to be about as large as a year earlier. Last year the rate for lard and shortening declined, but there was an offsetting increase in the consumption of edible oils used in cooking and salad oils, in salad dressings (mainly mayonnaise and French dressing), and in potato chips and perhaps in ready-to-eat foods. Similar shifts may take place in 1956.

Fruits

Total supplies of fresh and processed fruits are expected to be at least as large this spring as a year earlier. Stocks of 1955-crop fresh apples and supplies of oranges and grapefruit from the 1955-56 crop for use this spring are larger than a year ago. Stocks of fresh pears and canned citrus juices are lighter. Weather permitting, much more fresh peaches will be available this late spring and early summer than last.

Although more fresh citrus fruits will be available this spring, supplies this summer probably will be somewhat smaller than a year earlier. There will be about as much grapefruit this summer as last. The reduction expected for oranges is due to the smaller Valencia crop in California, the principal source for fresh oranges during the summer. In addition, exports of California and Florida Valencias to Europe this spring are expected to be up some from a year earlier because freezing weather during February practically destroyed the crop in Spain. In the next several months, about as many fresh lemons will be available as a year earlier. Retail prices of citrus fruits are expected to continue higher this year than last through the summer.

A much larger crop of several deciduous fruits will be harvested this spring and early summer than a year earlier if weather conditions are average. Over most of the country deciduous fruit trees and vines came through the

winter in generally good condition. In a few of the important fruit-producing areas some noteworthy damage is indicated. In the Pacific Northwest freezing weather last November and during the winter caused considerable damage to strawberries (marketed mainly for processing) and other berries, and killed many buds of fruit trees and otherwise severely damaged many trees. Floods in California this winter damaged fruit orchards (particularly clingstone peaches), but the full extent of the damage has not yet been determined. Freezes in late March reduced the peach crop in Georgia and South Carolina and cut back production somewhat in several adjacent areas. However, the damage did not appear to be as widespread as a year earlier when the peach crop in the southern States was a near failure.

Total supplies of canned fruits probably are somewhat larger this spring than last. Among the important canned fruits, packers' stocks of red sour pitted cherries were more than twice as large on April 1 this year as on the same date in 1955. But those of canned applesauce were 5 percent smaller and those of canned apples were 6 percent smaller. Retail prices of canned fruits in the next few months are expected to continue at about the present level, averaging a little higher than a year earlier.

Supplies of canned fruit juices are expected to be a little smaller than a year earlier through most of 1956 primarily because of the smaller carryover stocks. Production of canned citrus juices, the leading group, has been close to that of last year, with a sharp reduction for orange juice offset by increases for other citrus juices. In recent years, competition from frozen concentrated orange juice has reduced the domestic demand for canned citrus juices. In the 1947-48 marketing year, civilian per capita consumption of these canned juices was a little over 13 pounds; by 1954-55 the rate was slightly more than 7 pounds. Consumption of the canned juices other than citrus has tended to rise slightly in recent years.

At least as much frozen concentrated orange juice will likely be available between now and next fall as in the same period last year. Producers' stocks on April 1 were slightly larger than a year earlier, and production will be a little above the year-ago rate until the season ends in June. Retail prices probably will remain higher than a year earlier. Frozen concentrated orange juice is by far the most important of the frozen juices.

More frozen fruits and berries will be available than a year earlier from now until the 1956 packs start moving to market in volume after midyear. Cold-storage stocks were about 10 percent larger this April 1 than last. Among the major frozen fruits and berries in storage, stocks of strawberries were up 37 percent, peaches were 28 percent larger, and those of cherries were up 11 percent.

Total current supplies of dried fruit are adequate to meet expected domestic needs well into the summer, when the 1956-pack marketing year begins.

Vegetables

Current indications point to a little larger supply of fresh vegetables this spring than last. According to reports from producing areas, the indicated acreage for harvest of the spring season crop is up some from that in spring 1955 and yields are expected to be higher for a number of crops. During the first quarter of 1956 total supplies of fresh vegetables were only a little larger than a year earlier because of freeze damage to some crops in Florida. Retail prices of fresh vegetables this spring are expected to average close to those of a year earlier, although there may be considerable differences for individual items.

Among the important fresh market vegetables for which spring harvest indications are available, much larger output than a year earlier is in prospect for the early spring crops of cabbage, lettuce and onions, and more moderate increases for spring beets, celery and shallots. These increases are expected to more than offset substantial declines for early spring asparagus, broccoli, cauliflower, sweet corn and cucumbers, early and mid-spring snap beans and spring carrots and green peppers, and more moderate tonnage decreases for early spring green peas and tomatoes, and spring egg plant and spinach.

Acreage indications are available for only 3 of the many summer-harvested fresh market vegetables. Reports from growers show that the acreage for harvest planted to summer cabbage will be up a little from a year earlier, while that for onions will be about the same and for watermelons moderately smaller. If yields on these planned acreages are close to the average of recent years, the onion crop would total moderately larger this summer than last, that of cabbage would be about the same, but both the important early-summer watermelon crop and the total summer crop would be materially smaller.

The latest reports on stocks indicate that total supplies of processed vegetables will remain moderately lower and average a little higher in price than a year earlier at least until sometime this summer, when marketing of the 1956 packs begins to mount in volume. Among the major canned vegetables, the substantially smaller stocks of both sweet corn and tomato juice and moderately smaller stocks of snap beans this year than last overbalanced increases for canned tomatoes and green peas. Total holdings of frozen vegetables on April 1 were down about 2 percent from those on the same date in 1955. Sizable reductions were reported for frozen Brussels sprouts, sweet corn, lima beans and "other" vegetables and moderate declines for asparagus, snap beans and green peas; but stocks of broccoli, cauliflower and spinach were up substantially from a year earlier.

With stocks smaller and prices higher, vegetables processors are aiming for a larger output of a number of important items this year. Acreage contract intentions thus far reported by processors point to increased plantings for the processing crops of snap beans, beets, and cabbage for kraut, sweet corn green peas, spinach and tomatoes, and a reduction for cucumbers for pickles.

Assuming average growing conditions for processing vegetables, the total canned vegetable pack probably will be moderately larger than a year earlier while that of the frozen products is likely to be up substantially.

Current prospects are for fewer potatoes than a year earlier after midspring. However, supplies are expected to be adequate to maintain civilian per capita consumption of this commodity close to the year-earlier rate. In 1955 supplies were very heavy beginning in late spring.

A smaller crop of late-srping potatoes than last year is expected because the acreage indicated for harvest is 8 percent smaller and yields are not expected to exceed tnose of last year. In 1955 the average yield on the late-spring acreage was about one-fifth higher than the corresponding 1949-54 average. Planting intentions for the intermediate and late potato crops, as reported by farmers in March, pointed to a slightly smaller acreage this year than last. If yields on the corresponding acreages are near those of recent years, the harvests from each of these 2 crops should be moderately smaller than a year earlier, and retail prices may average somewhat higher.

Sweetpotatoes will continue to be more plentiful and lower priced this spring than a year earlier. The 1955 crop, from which current supplies come, was much larger than those of recent years but consumption showed a smaller increase.

There is a fairly strong likelihood that sweetpotato supplies after midyear will be much smaller than in the same period of 1955. March 1 reports indicate that farmers intend to plant 12 percent fewer acres to sweetpotatoes this year than last. Average yields on this intended acreage would result in a crop about one-fifth smaller than in 1955 and almost a third below the 1945-54 average. Since sweetpotato prices are quite sensitive to large changes in supplies, the reduced output would be expected to result in higher retail prices.

Cereal Food Products

A continued abundance of grains for food products and for livestock feed is indicated by available stocks and 1956-crop planting intentions reported by farmers in March. Retail prices of bakery products and most cereal foods are expected to remain close to those currently prevailing. Processing and distribution costs, which are not likely to decline, account for most of the price consumers pay for these commodities.

Wheat will continue in abundant supply this year. The crop in prospect for 1956 may be almost as large as last year's, and about equal to anticipated domestic needs and exports during 1956-57. As a result the carryover July 1, 1957 may be little or no larger than a year earlier. Stocks of wheat on April 1 from the 1955 and earlier crops were sufficiently large to cover expected total needs for almost one and one-half years, assuming about the same domestic use and exports as in the past year.

Although current production prospects point to a somewhat smaller rye crop this year than last, supplies are expected to continue large through the marketing year which begins July 1. As in recent years, feed, seed and alcoholic beverages will account for the largest part of the rye we use; food use will continue to be a relatively small part of total domestic utilization.

Rice supplies during the remainder of the current marketing year (ending next July 31) are expected to continue at record levels. Civilian consumption of rice this year is likely to be about the same as in 1954-55. The increase in exports is not expected to be sufficient to offset the increase in our supplies, and carryover stocks next August 1 are expected to be substantially higher than on the same date last year.

Large stocks of corn, oats and barley on hand assure ample supplies for processing into food products made from these grains in the months ahead. Civilian consumption of these products in 1956 is expected to be at about the same rate per person as last year. In general, retail prices of the food products of corn, oats and barley will average no higher than in 1955.

Farmers are planning moderate reduction in acreages of corn, oats and barley which, with 1950-54 average yields, would result in smaller production than in 1955. But with the big carryover stocks in prospect, the total supplies of the grains would be again among the largest of record. The total supply of all feed concentrates, including these grains and other feeds, with a normal growing season, would be only a little below the record supply last year. These big supplies would be fully ample to maintain the production of meat, milk and poultry products at a high level.

Sugar

Deliveries of sugar by primary distributors for domestic consumption during the first quarter of 1956 were slightly ahead of those in the same period of 1955. The approach of warmer weather is expected to result in a seasonally stepped-up demand on the part of industrial users. Sugar consumption per capita this year is expected to total around 95 pounds, close to last year's rate.

Retail prices of refined sugar are about the same as a year ago, and no significant change is expected in the near future.

Acreage allotments are in effect once more on domestically produced sugar beets and sugarcane. These restrictions will tend to hold domestic sugar production down to those quantities which can be marketed under the marketing quotas assigned by law to the individual cane and beet producing areas.

MARCH REPORT ON FARMERS' INTENTIONS TO PLANT

The information from the report on farmers' planting intentions for this spring, issued by the Agricultural Marketing Service, indicates moderate reductions from last year in the acreages to be planted to a number of crops. However, it does not point to any change in the prospect that food supplies will continue plentiful.

Feed grain crops apparently will furnish the largest part of the total acreage reduction from 1955. (See tables 4 and 5.) However, even if the harvest of these crops turns out to be somewhat smaller this year than last, stocks will likely continue at record levels (table 6), and supplies in the next year or so are expected to remain very large. More moderate acreage declines than for the feed grains are indicated for rice, potatoes and sweet-potatoes, dry edible beans, and peanuts.

Among the crops for which the intentions report indicate an increase, the planned acreage expansion for soybeans is by far the largest. The other spring-sown crops for which increased plantings are indicated are wheat (particularly drum), flaxseed, sorghums for all purposes, dry field peas, hay, and sugar beets.

It is important to point out that although the report of farmers' intentions gives the first clues as to the 1956 spring sown crops, too much emphasis should not be placed on exact acreages or possible production computed from indicated acreages and average or recent yields per acre. The acreages actually planted in 1956 may turn out to be larger or smaller than indicated, depending on several factors including weather, price changes and expectations, labor supply, the farmers' financial situation, Government programs, and the effect of the report itself upon farmers' actions. The purpose of the intentions report is to assist farmers generally in making such changes in their planting plans as may appear to them to be desirable.

FOOD DISTRIBUTION PROGRAMS OF THE DEPARTMENT 1/
Part IV - The Plentiful Foods Program

The Plentiful Foods Program is designed to encourage increased use of foods available in abundant supply through industry-government merchandising and promotion programs. By stimulating increased sales of a food at the time when it is in peak supply, more orderly distribution can be obtained and the need for direct Government action to prevent distress market conditions can be lessened.

1/ This is the fourth in a series of articles appearing in the National Food Situation on the Department's food distribution programs, prepared by Isabelle M. Kelley, AMS. These programs are designed to assist in the long-term expansion in domestic food markets and to help provide for the increased use of foods currently available in abundant or surplus supply.

Table 4.- Planted acreage of major crops, 1935-39 and 1947-49 averages, 1955, and prospective plantings for 1956, with percentage comparisons

Crop	Planted acreage			Prospective plantings 1956 1/	Prospective 1956 as a percentage of		
	1935-39	1947-49	1955		1935-39	1947-49	1955
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Percent	Percent	Percent
Total 2/	323,739	333,464	335,468	332,432	103	100	99
Corn, all	97,044	85,768	81,577	78,686	81	92	96
Wheat, all	73,236	80,188	58,284	59,808	82	75	103
Winter	51,577	59,252	44,393	45,203	88	76	102
Spring, all	21,659	20,936	13,891	14,605	67	70	105
Oats	40,591	43,071	48,021	46,063	113	107	96
Barley	13,365	12,059	16,102	14,773	111	123	92
Flaxseed	1,938	4,911	5,192	5,465	282	111	105
Rice	1,007	1,809	1,842	1,597	159	88	87
All sorghums	15,254	11,852	24,113	24,198	159	204	100
Potatoes	3,123	1,940	1,452	1,394	45	72	96
Sweetpotatoes	804	501	364	323	40	64	89
Beans, dry edible	1,917	1,929	1,660	1,535	80	80	92
Soybeans, for beans 3/	3,042	10,858	18,559	4/20,200	664	186	109
Soybeans, grown alone 5/	7,262	12,304	19,669	21,760	300	177	111
Hay, all 3/	67,940	72,649	73,984	74,305	109	102	100
Tobacco 3/	1,647	1,676	1,510	1,366	83	82	90
Peas, dry field	281	414	325	377	134	91	116
Peanuts, picked and threshed 3/	1,659	2,994	1,685	6/1,513	91	51	90
Peanuts, grown alone 5/	2,173	3,561	2,004	1,923	88	54	96
Sugar beets	891	845	798	829	93	98	104

1/ From March 1956 Prospective Plantings Report and December 21, 1955 Winter Wheat and Rye Report.

2/ Includes "Soybeans, for beans" and "Peanuts, picked and threshed."

3/ Harvested acreage.

4/ 1956 indicated solid equivalent acreage adjusted for the percentage harvested for beans by using the 1954-55 average percentages, by States.

5/ For all purposes.

6/ Assuming the 1950-54 average relationship of acreages planted alone to acreages for picking and threshing, by States.

Table 5.- Prospective and actual acreages planted in major crops, 1953-55, with percentage comparisons 1/

Crop	1953			1954			1955		
	Prospective	Actual	Actual as percentage of prospective	Prospective	Actual	Actual as percentage of prospective	Prospective	Actual	Actual as percentage of prospective
	1,000 acres	1,000 acres	Percent	1,000 acres	1,000 acres	Percent	1,000 acres	1,000 acres	Percent
Total	27[illegible]	76,812	100	287,518	288,996	101	290,818	292,504	101
Corn, all	81[illegible]	81,730	100	81,037	82,409	102	82,033	81,577	99
Spring wheat	21,[illegible]	21,791	101	16,657	15,938	96	13,960	13,891	100
Oats	43,[illegible]	43,875	100	47,256	47,532	101	47,664	48,021	101
Barley	9,[illegible]	9,659	103	14,095	14,759	105	15,776	16,102	102
Flaxseed	4,1[illegible]	4,640	112	5,383	5,869	109	5,743	5,192	90
Rice	2,11[illegible]	2,17[illegible]	103	2,360	2,600	110	1,800	1,842	102
All sorghums	14,666	14,651	100	18,664	20,233	108	21,322	24,113	113
Potatoes	1,509	1,54[illegible]	103	1,364	1,426	105	1,434	1,452	101
Sweetpotatoes	367	357	97	357	352	99	354	364	103
Tobacco 2/	1,659	1,633	98	1,630	1,667	102	1,561	1,510	97
Beans, dry edible	1,332	1,436	108	1,640	1,693	103	1,788	1,660	93
Peas, dry field	234	28[illegible]	121	321	290	90	295	325	110
Soybeans 3/	15,862	16,[illegible]	103	18,075	18,618	103	19,981	19,669	98
Peanuts 3/	1,95[illegible]	1,877	96	1,942	1,936	100	1,914	2,004	105
All hay 2/	74,859	73,996	99	75,793	72,710	96	74,360	73,984	99
Sugar beets	801	795	99	944	964	102	833	798	96

1/ Based on the prospective planted acreages indicated by farmers' reported March 1 intentions.
2/ Acreage harvested.
3/ Grown alone for all purposes. Data are partly duplicated in hay acreage.

Table 6.- Estimated stocks of selected farm commodities on January 1 1953-56 with percentage comparisons 1/

Commodity	Unit	Holdings on January 1				
		1953	1954	1955	1956	1956 as percentage of 1953-55 average
Corn 2/	Mil. bu.	2,558	2,682	2,825	3,059	114
Wheat 2/	Mil. bu.	1,106	1,332	1,471	1,542	118
Oats 2/	Mil. bu.	859	837	1,014	1,082	120
Barley 2/	Mil. bu.	164	178	283	304	146
Flaxseed 3/	Mil. bu.	27	35	31	35	113
Rice, rough basis 4/	Mil. bu.	2,521	3,155	5,294	5/6,299	172
All sorghums 2/	Mil. bu.	54	79	193	223	205
Potatoes 6/	Mil. bu.	134	148	141	144	102
Sweetpotatoes 7/	1,000 bu.	8,458	10,429	8,595	9,874	108
Beans, dry edible 8/	Mil. lb.	1,203	1,171	1,178	1,328	112
Soybeans 3/	Mil. bu.	226	190	260	274	122
Tobacco 9/	Mil. lb.	4,484	4,501	4,761	5,156	113
Peanuts, farmers' stock basis 10/	Mil. lb.	1,028	1,223	640	1,164	121
Sugar, raw 11/	1,000 short tons	1,621	1,639	1,931	1,997	115

1/ Include CCC holdings.
2/ On farms, at terminal markets, and in interior mills, elevators, and warehouses; wheat also in merchant mills.
3/ On farms, at terminal markets, in processing plants, and interior mills, elevators and warehouses.
4/ On farms and in mills and warehouses. Include heads, seconds, screenings, and brewers' rice.
5/ Estimated.
6/ Include merchantable stocks in hands of growers and local dealers in areas where produced plus seed plus quantities saved both for seed and food use on farms where grown.
7/ Include commercial stocks for sale as of Jan. 1 and quantities saved for seed and for consumption on farms where grown.
8/ On farms and in commercial warehouses.
9/ Owned by dealers and manufacturers, excluding that held in Puerto Rico. Farm-sales weight for domestic types and unstemmed equivalent weight for imported types.
10/ Commercial, exclude stocks on farms, but include stocks owned by CCC and stocks held by cooperative associations on which CCC has advanced loans.
11/ Held by primary distributors.

Under the program, the Department seeks to mobilize the merchandising and informational resources of food trade and allied groups in support of industry and producer efforts to move larger quantities of plentiful foods through regular trade channels. A great deal of emphasis is placed on obtaining the cooperation of food retailers and food editors in these promotion campaigns. Retailers can do much to influence consumer choices through the use of special displays and other in-store promotions. Likewise, the food editors of newspapers, magazines, radio and television continually supply homemakers with food information and can stimulate interest in plentiful foods by publishing menus and recipes that feature such foods.

The Department of Agriculture has long cooperated in programs to provide consumers with information on food supplies. In fact, the present Plentiful Foods Program is an outgrowth of a World War II program designed to divert part of the demand for relatively scarce and rationed foods to those available in more abundant supply. "Victory Food Specials" and "No-Point Low-Point Foods" were two of the merchandising features of that wartime program.

One of the functions of the current Plentiful Foods Program is to provide cooperating groups with reliable information on those foods in need of merchandising attention. In addition, by developing working relationships with key distributive and informational groups in major markets, trade merchandising efforts are coordinated with the industry or producers promotion campaign.

Each month, the Department issues a Plentiful Foods List, showing the foods that are expected to be in plentiful supply during the succeeding month and suggesting merchandising opportunities for them. From 1 to 4 of these foods may be designated as "features" which guides the trade as to those items that should receive priority attention. The May 1956 List has a single feature item--beef. Seasonally, large supplies of quality-fed cattle move to market during May; this year the volume will be high because of the large number of cattle on feed.

To be included on the Department's Plentiful Foods List, a commodity must be: (1) In plentiful supply in most market areas, (2) commonly used by most people and (3) generally available in retail food stores. Decisions concerning the specific foods to be designated as "plentiful" are made each month at a meeting where all agencies of the Department dealing with the food supply are represented. In making its selection, this committee analyzes information gathered by the Department's crop and market reporters and by various commodity specialists in the Department, and that received from the food trades.

The national Plentiful Foods List is issued from Washington and goes only to national organizations and other groups concerned with the country-wide food supply situation. Before the List is sent to other cooperating

groups, it is localized--by 5 major geographic areas--in order to more accurately reflect local variations from nationwide supply conditions. This localization is particularly adapted to marketing situations for fresh fruits and vegetables. In April, for example, the Western area list included oranges. This item was not listed for nationwide merchandising attention during that month.

The national and the localized monthly Plentiful Foods Lists are now distributed, on a request basis, to more than 40,000 recipients in the food trades, including wholesalers, retailers, public feeders, and other large-scale food buyers. In addition, approximately 9,000 copies are sent to cooperating groups in the press, magazine, radio, and television field. Many of the national and State associations receiving the List, reprint it in newsletters or other bulletins they send to members.

The Department carries out a broad program of informational support for the foods on the Plentiful Foods List. Its information services provide a continuing flow of stories on the foods included on the national and localized Lists, tailored to the needs of various users such as food editors, the trade press, and magazine and syndicated writers. On an area basis, a weekly service for food editors is maintained which gives them the facts on the supply, selection and use of plentiful foods. The Extension Service also gives attention to plentiful foods through the activities of its home demonstration agents and consumer information specialists.

All of this work to inform the trade about the foods in need of merchandising attention is backed up by the Department's program of personal contacts with representatives of national food trade groups and those associations representing large-volume food buyers such as hotels, restaurants, variety stores, industrial and other public feeders. The Department now has a food trade representative stationed in each of 16 major markets throughout the country. These markets service almost 62 million consumers and influence many more consumers in adjacent secondary markets. These food trade men of the Department work with key distributors to help develop and coordinate plentiful foods promotions in these market areas.

Special merchandising drives are undertaken when a food is experiencing a particular marketing problem. Essentially, these drives are an intensification of the regular Plentiful Foods Program--scheduled for the period of peak market supply. These special drives are conducted only at the specific request of producers and supplement the industry's own promotional effort.

During the past year, special drives have been conducted for dairy products, watermelons, rice, potatoes, lettuce, grapefruit, sweetpotatoes, dates and pork.

The special drive for pork is a typical example of the merchandising techniques used in a special drive. Anticipating the need for an all-out promotion effort to assist in marketing pork supplies from the 1955 spring crop, an industry-sponsored meeting was held in July of last year. This meeting was attended by representatives of all of the livestock and meat industry, the Department of Agriculture, retail, farm and public feeding organizations and the press, radio and TV.

As the result of this meeting, it was agreed that a sustained pork promotion effort was needed. The industry selected 3 periods of peak emphasis--in September, October and January. The Department timed its pork merchandising drive to coincide with this schedule of industry promotions.

Pork was a feature item on the September and October Plentiful Foods List with supporting informational activities giving priority to materials on pork. In every major marketing area, cooperation of key food trade and informational outlets was obtained through personal visits by Department of Agriculture representatives.

In mid-October, the Secretary of Agriculture sent a letter to all national food trade organizations requesting a further intensification of the merchandising efforts on pork. This request was followed up by the distribution of a special fact sheet on pork to 50,000 retailers, wholesalers, packers and allied food groups. Department personnel worked with marketing groups to arrange "pork lifts" and special promotional events in major markets.

Pork continued to receive feature treatment under the Plentiful Foods Program through April. A second fact sheet was distributed in March, requesting special promotions during the periods March 22-31 and April 5-14.

Two examples of the type of cooperation received under the pork program will illustrate the effectiveness of this effort to focus attention on pork. A large restaurant chain, operating in 3 cities, took full-page newspaper ads to announce a "Pork Festival" in support of the industry promotion effort. As part of this Festival, the restaurant advertised 7 dinner specials featuring different pork dishes. The food editor of a Sunday magazine supplement, used by leading newspapers in 44 markets, featured pork in one issue, with a full-page spread of a pork dish and recipe.

By mid-April, the improved situation for pork permitted more emphasis to be placed on other plentiful foods. In June, the Department will again cooperate in the dairy industry's annual promotion campaign. Beef is now receiving feature treatment--with a special drive scheduled for early May--and additional activities will be geared to the developing market situation.

One of the most significant results of the Department's plentiful foods work is the increased interest it creates among producer and processor groups in organizing for a continuing promotion program. In a highly competitive economy, promotion is a necessary and important part of marketing for maximum sales.

DOMESTIC NONFOOD USE OF AGRICULTURAL COMMODITIES 1/

A large part of the agricultural commodities produced in this country is used for nonfood purposes. The farm value of the commodities so utilized in 1955 was more than one-third the farm value of all agricultural commodities used. During the last 30 years the proportion averaged close to 40 percent. 2/ Some commodities, such as cotton, tobacco, and wool, are used only for nonfood purposes; others are produced primarily for food but are also used for nonfood purposes. In this article, annual use of seed and feed for livestock is considered as nonfood even though they are used in the production of food.

Agricultural Commodities Used for Nonfood Purposes

During the past 30 years, grains have been the most important farm commodity used for nonfood purposes each year, ranging from 40 to 50 percent of the total so used. 3/ Most of this has been as animal feed. Hay has contributed from 15 to 20 percent and livestock products from 10 to 20 percent. Of the livestock products so utilized, about two-thirds is accounted for by milk used for feed, and the remainder represents hides and other livestock products used for nonfood. Cotton and wool ranged between 7 and 14 percent of the farm value of agricultural commodities used for nonfood, and tobacco from 3 to 5 percent.

1/ Prepared by Robert J. Lavell, Statistical and Historical Research Branch, AMS.

2/ Based on statistics presented in table 33 (page 99) of Measuring the Supply and Utilization of Farm Commodities; New Indexes, 1924-54, Agriculture Handbook No. 91.

3/ Ibid. Table 26 (page 85).

Major Nonfood Outlets for Agricultural Commodities and their Relative Importance

Feed for livestock is the most important nonfood outlet for agricultural commodities. Since 1924 feed has accounted for 66 to 78 percent of the annual total nonfood use. (See table 7.) Seed use during these years has ranged from 5 to 7 percent. Thus, from about 75 to 85 percent of all nonfood use of agricultural commodities in the past 30 years has been by farmers for further production. Of the remaining 15 to 25 percent, the textiles and leather group is the most important. This use ranged from a low of 10 percent during the depression of the 1930's to a high of 17 percent during the early World War II years. Industrial oils and soaps have remained a relatively stable proportion of total nonfood use at 3 to 4 percent. Tobacco has climbed steadily from around 3 percent in 1924 to more than 5 percent in recent years. Since the repeal of the 18th Amendment in 1933 alcoholic beverages, the only other use which is measured separately, has ranged from less than 1 percent of all nonfood use, to a high of slightly more than 3 percent in 1944. Synthetic fibers from agricultural commodities, industrial alcohol, building materials, pharmaceuticals, and unspecified commodities individually have been relatively minor outlets during the past 30 years, so are combined in the miscellaneous group: "other nonfood uses."

Long-Term Trends in Nonfood Use of Agricultural Commodities

The amount of agricultural commodities moving into the various domestic nonfood uses in recent years has remained higher than in both the 1920's and 1930's despite the sharp decline since 1943. (See table 8.) In general, nonfood use fluctuated downward from the late 1920's to the mid-1930's, and then trended upward sharply until 1943, when it reached a peak. Since then, except for the upswing from 1949 to 1951 (which includes the Korean War period), the movement has been downward.

The annual utilization through the individual major nonfood outlets has fluctuated more than the total. Feed has shown the smallest gain as an outlet since 1924. The increased demand for feed for livestock, resulting from a rapidly expanding population that eats more meat per person now than thirty years ago, has been offset to a great extent by the decline in the feed needs for horses and mules. The index for seed use has trended upward over the years.

Net nonfood use (i.e., nonfood uses other than feed and seed) as a whole has trended upward in the past 30 years. Use for alcholic beverages has shown the greatest increase, but this is largely due to the fact that the series starts during the prohibition period. The use of tobacco has risen steadily at a rate greater than that of the population. This increase has been due entirely to the continued expansion in the consumption of cigarettes; the use of all other tobacco products has actually declined in total since the mid-1920's. Use of agricultural commodities for textiles and leather has fluctuated rather widely during the 30 year period but on the whole has trended upward. However, 30 years ago cotton and wool accounted for 95 percent of all fibers used in this country. Last year they accounted for only 72 percent. Rayon, acetate, and other synthetic fibers of non-agricultural origin have been cutting deeply into this outlet. 4/ Even leather is running into serious competition from synthetics. The use of agricultural commodities in industrial oils and soap has increased, but not as rapidly as the population. It's not that we use less soap or industrial oils. On the contrary, we use more, but here again synthetic raw materials not of agricultural origin have been winning out. The "other" group has shown a rapid increase, mainly due to new uses being developed rather than to any particular increase in old uses.

Trends in Recent Years in Domestic Nonfood Use of Agricultural Commodities

Thirty years ago is ancient history and the story of the last five years is more pertinent. Nonfood use of agricultural commodities as a whole has been on the downgrade since 1951. Textiles and leather and industrial oils and soap have been declining since 1950. The use of tobacco continued to increase except for a dip in 1954, but the other nonfood uses began to decline in 1951 or 1952.

Feed use declined from 1951 to 1954 largely because the number of hogs and farm chickens were reduced in that period because of poor prices and responded slowly to the subsequent more favorable prices.

The decline in the net nonfood uses is something else again. A big part of the decline in recent years is attributable to increased competition from synthetic products not of agricultural origin.

4/ The Cotton Situation. (CS-163), March 27, 1956. Table 14, page 25.

Future Prospects for Domestic Nonfood Use of Agricultural Commodities

Future trends in the domestic use of agricultural commodities for nonfood purposes depend on many factors. The relative importance of these factors will vary among individual commodities and nonfood outlets. For example, domestic use of feed is expected to trend upward. Civilian consumption of livestock products is expected to continue at a high rate, depending on the availability of supplies. The offsetting effect, as far as feed use is concerned, of the continued reduction in the use of horses and mules on farms will be much smaller than in the past. For seed, total use is not likely to expand by much in the future because of likely continued progress in the development of more efficient seed (efficient, in terms of yield and germination) and more efficient use of seed through improved cultural practices. For tobacco, the trend will depend on developments which permit more efficient use of tobacco by processors and by consumers' attitudes about tobacco products. Alcoholic beverages, as an outlet for agricultural commodities, will also be influenced primarily by the attitudes of consumers. Trends in the use of agricultural commodities for textiles, leather goods and trimmings, industrial oils, soaps, and other products will depend on the extent of competition from man-made substitute raw materials. Expanded research on utilization and more efficient use of agricultural commodities appears necessary if some of the important nonfood uses are to be reclaimed--or even maintained--for agricultural commodities.

Table 7.- Relative importance of major uses in total domestic nonfood use of farm commodities, 1924-54

Year	Alcoholic beverages	Feed	Textiles and leather	Industrial oils and soap	Seed	Tobacco	Other nonfood use	Total
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1924	0.4	75.5	12.3	3.2	5.3	2.9	0.4	100.0
1925	.4	74.9	12.9	3.4	5.0	3.1	.3	100.0
1926	.5	73.2	13.8	3.7	5.2	3.2	.4	100.0
1927	.4	73.9	13.6	3.3	5.1	3.2	.5	100.0
1928	.5	74.6	12.5	3.7	5.1	3.2	.4	100.0
1929	.5	73.1	13.5	4.0	5.3	3.2	.4	100.0
1930	.6	74.5	11.6	3.6	5.6	3.7	.4	100.0
1931	.5	74.5	11.9	3.6	5.9	3.2	.4	100.0
1932	.5	77.9	10.2	2.9	5.5	2.7	.3	100.0
1933	.8	74.6	12.7	3.1	5.4	3.0	.4	100.0
1934	1.6	71.0	13.2	3.7	6.1	3.9	.5	100.0
1935	2.0	70.4	13.5	3.6	6.5	3.5	.5	100.0
1936	2.1	68.7	15.3	3.4	6.0	3.9	.6	100.0
1937	1.9	67.5	15.9	3.9	6.3	3.9	.6	100.0
1938	1.8	72.4	12.4	3.2	5.9	3.6	.7	100.0
1939	1.6	71.1	14.2	3.3	5.4	3.8	.6	100.0
1940	1.8	70.9	14.4	3.3	5.4	3.5	.7	100.0
1941	1.9	67.5	17.3	3.8	5.1	3.5	.9	100.0
1942	2.1	68.3	16.9	3.1	5.1	3.7	.8	100.0
1943	2.7	70.9	14.3	2.7	4.9	3.7	.8	100.0
1944	3.4	69.2	14.4	3.2	5.0	3.9	.9	100.0
1945	3.2	69.1	14.6	3.0	5.0	4.2	.9	100.0
1946	2.5	68.5	15.8	3.2	5.0	4.1	.9	100.0
1947	2.4	68.1	14.9	3.8	5.4	4.4	1.0	100.0
1948	2.9	66.3	15.9	3.7	5.5	4.7	1.0	100.0
1949	2.1	69.9	13.5	3.1	5.7	4.6	1.1	100.0
1950	2.4	67.2	15.7	3.5	5.4	4.6	1.2	100.0
1951	2.5	68.7	14.6	3.2	5.2	4.7	1.1	100.0
1952	2.0	69.2	14.1	2.9	5.6	5.0	1.2	100.0
1953	2.0	68.6	14.7	3.1	5.5	5.1	1.0	100.0
1954 1/	2.0	69.4	14.2	2.9	5.5	5.0	.9	100.0

1/ Preliminary.

Agriculture Handbook No. 91, Measuring the Supply and Utilization of Farm Commodities, New Indexes, 1924-54. Table 27 (page 86).

Table 8.- Indexes of domestic nonfood use of agricultural commodities 1/

(1947-49=100)

Year	Alcoholic beverages	Feed	Textiles and leather	Industrial oils and soap	Seed	Tobacco	Other nonfood uses	Total domestic nonfood use	
								Gross	Net 2/
1924	12	90	68	74	78	51	28	81	59
1925	14	95	76	82	79	58	26	86	66
1926	16	89	77	86	78	57	32	83	68
1927	15	97	83	85	83	63	36	90	71
1928	16	96	75	91	81	62	36	88	68
1929	18	94	80	100	84	60	34	88	72
1930	18	89	64	84	83	66	30	82	62
1931	15	90	66	83	88	58	28	82	61
1932	18	98	59	69	86	51	25	86	54
1933	29	94	74	74	84	55	34	86	65
1934	46	77	66	77	82	62	38	74	64
1935	62	80	71	78	91	60	38	78	68
1936	70	83	86	81	89	70	50	83	80
1937	63	80	88	90	92	70	45	81	81
1938	63	89	71	76	89	66	57	84	69
1939	58	94	87	85	88	74	52	90	80
1940	67	97	92	88	92	71	60	94	84
1941	77	101	119	111	93	77	85	101	106
1942	93	111	127	97	101	89	86	110	112
1943	133	127	118	92	108	99	93	122	112
1944	156	115	111	101	103	96	93	113	111
1945	141	111	109	92	100	100	89	110	107
1946	108	109	116	98	99	97	87	108	108
1947	99	102	103	108	99	99	100	102	102
1948	115	96	106	104	99	101	97	99	105
1949	86	102	91	88	102	100	103	100	92
1950	102	104	112	106	104	105	124	106	110
1951	107	108	106	96	101	110	108	107	105
1952	82	105	99	86	105	113	114	103	99
1953	83	102	102	88	101	114	93	102	100
1954 3/	80	100	95	81	98	107	87	98	93

1/ Based on data in table 42 (page 111) of Agriculture Handbook No. 91, Measuring the Supply and Utilization of Farm Commodities, New Indexes, 1924-54.

2/ Excluding feed and seed.

3/ Preliminary.

Table 9.- Production of major food commodities, calendar years, 1935-39 and 1947-49 averages, 1953-55, and preliminary indications for 1956, with percentage comparisons 1/

Commodity	Unit	Average 1935-39	Average 1947-49	1953	1954	1955 preliminary	Preliminary indications for 1956 2/	1956 as a percentage of 1935-39	1956 as a percentage of 1947-49	1956 as a percentage of 1955
Meats (carcass weight)										
Beef	Mil. lb.	6,937	9,649	12,433	12,991	13,615	14,050	203	146	103
Veal	Mil. lb.	1,038	1,454	1,556	1,656	1,597	1,585	153	109	99
Lamb and mutton	Mil. lb.	870	716	728	734	758	740	85	103	98
Pork (excluding lard)	Mil. lb.	7,337	10,281	10,063	9,952	11,016	11,325	154	110	103
Total meats	Mil. lb.	16,182	22,100	24,780	25,333	26,986	27,700	171	125	103
Fish (edible weight)										
Fresh and frozen	Mil. lb.	615	706	660	660	640	3/	---	---	---
Canned 4/	Mil. lb.	337	484	412	460	410	3/	---	---	---
Cured	Mil. lb.	74	70	62	62	62	3/	---	---	---
Total fish	Mil. lb.	1,026	1,260	1,134	1,182	1,112	3/	---	---	---
Poultry and eggs										
Eggs	Mil. doz.	3,335	5,086	5/5,307	5/5,402	5/5,403	5/5,500	165	108	102
Chicken (ready-to-cook)	Mil. lb.	1,730	2,753	---	5/3,743	5/3,555	5/3,966	229	144	112
Turkey (ready-to-cook)	Mil. lb.	288	492	---	5/ 870	5/ 818	5/ 890	309	181	109
Dairy products										
Total milk 6/	Bil. lb.	105.9	116.3	5/120.5	5/122.3	5/123.6	5/127.0	120	109	103
Cheese 7/	Mil. lb.	673	1,160	1,344	1,383	1,353	1,430	212	123	106
Condensed and evaporated milk	Mil. lb.	2,225	3,497	2,875	2,844	2,909	2,905	131	83	100
Ice cream (product weight)	Mil. lb.	1,279	2,758	2,904	2,866	3,023	3,100	242	112	103
Fats and oils										
Butter, farm and factory (actual weight)	Mil. lb.	2,195	1,611	5/1,607	5/1,628	5/1,551	5/1,635	74	101	105
Lard 8/	Mil. lb.	1,630	2,419	2,368	2,348	2,675	2,790	171	115	104
Margarine (actual weight)	Mil. lb.	372	839	1,292	1,364	1,333	1,350	363	161	101
Shortening	Mil. lb.	1,529	1,434	1,675	1,961	1,975	1,950	128	136	99
Other edible fats and oils 9/	Mil. lb.	2,157	3,912	5,389	5,495	5,943	6,020	279	154	101
Total fats and oils (fat content) 10/	Mil. lb.	5,554	7,627	9,051	9,154	9,867	10,125	182	133	103
Fruits										
Fresh:										
Citrus	Mil. lb.	6,875	8,782	7,838	7,586	7,798	7,600	111	87	97
Apples (commercial)	Mil. lb.	4,385	3,791	3,208	3,407	3,400)	7,400	82	89	103
Other (excluding melons)	Mil. lb.	4,648	4,508	4,142	3,942	3,810)				
Processed:										
Canned fruit	Mil. lb.	1,705	2,584	2,876	2,964	3,400	3,000	176	116	88
Canned fruit juices	Mil. lb.	333	2,230	1,924	2,046	1,875	1,950	586	87	104
Frozen (including juice)	Mil. lb.	106	416	1,254	1,280	1,499	1,450	1,368	349	97
Dried	Mil. lb.	1,118	1,008	863	805	840	3/	---	---	---
Vegetables										
Fresh, total commercial 11/	Mil. lb.	18,565	23,041	25,066	25,140	25,158	25,750	139	112	102
Canned	Mil. lb.	4,030	6,064	7,184	6,665	7,034	7,275	181	120	103
Frozen	Mil. lb.	12/78	454	1,103	975	1,140	1,300	1,667	286	114
Potatoes	Mil. bu.	355	414	380	356	382	361	102	87	95
Sweetpotatoes	Mil. bu.	68	46	34	30	38	30	44	65	79
Dry edible beans 13/	Mil. lb.	1,360	1,854	1,682	1,706	1,729	1,650	121	89	95
Dry field peas 13/	Mil. lb.	229	401	297	308	246	396	173	99	161
Canned baby foods	Mil. lb.	37	469	666	683	669	680	1,838	145	102
Sugar, raw basis	1,000 short tons	1,948	2,065	2,375	2,610	2,386	2,350	121	114	98
Grains										
Wheat	Mil. bu.	759	1,251	1,169	985	938	904	119	72	96
Rye	Mil. bu.	44.9	23.1	18.2	24.3	29.2	26.0	58	113	89
Rice, milled	Mil. lb.	1,340	2,333	3,112	3,372	4,033	3,414	255	146	85
Corn, grain only	Mil. bu.	2,050	2,788	2,876	2,680	2,857	2,700	132	97	95
Oats	Mil. bu.	1,045	1,294	1,209	1,497	1,576	1,348	129	104	86
Barley	Mil. bu.	239	279	243	370	391	353	148	127	90
Peanuts, farmers' stock basis	Mil. lb.	1,230	2,128	1,589	1,025	1,610	3/	---	---	---

1/ Calendar year basis except for fresh citrus fruit for which the season begins in the fall of the previous year; dried fruits on a pack-year beginning year indicated; rice on a marketing year ending year indicated. 2/ Preliminary indications based on trends in livestock numbers, current or prospective rates of output, average or probable acreages and yields, and such other data or advance estimates as are available. These estimates are used only to indicate the general level of food supplies for domestic consumption for 1956, but they are based on such official estimates of production as are available at this time. Revisions will of course be made from time to time throughout the year as official indications or estimates are issued through the Crop Reporting Board of the Department. 3/ Not available. 4/ Excludes products containing small quantities of fish such as clam chowder, etc. 5/ Revised to incorporate changes resulting from the 1954 Census of Agriculture. 6/ Includes farm production of milk as reported by the Crop Reporting Board and an allowance for nonfarm production declining from 2.3 billion pounds in 1935-39 to zero in 1956. 7/ Excludes full skim, cottage, pot, and bakers' cheese. 8/ Includes amount used in manufactured food and nonfood products. 9/ Includes cottonseed, peanut, soybean, corn, edible olive, and oleo oils, oleo stock, oleostearine, and edible tallow later processed into margarine, shortening, cooking and salad oils, etc., and nonfood items. 10/ Includes butter, lard, and "other edible fats and oils." 11/ This series covers total commercial production for sale as fresh, both for shipment to distant markets and for local markets; includes quantities not harvested and use of a few minor vegetables for processing. Excludes farm garden output for farm household use. 12/ Average 1937-39. Data prior to 1937 are not available. 13/ Cleaned basis.

Table 10.- Retail food prices and total consumer price index, United States, 1945-53 and 1954-55 by months

(Index numbers, 1947-49 =100)

Year and month	Meats 1/	Eggs	Dairy products 2/	Fats and oils 3/	Cereals and bakery products	Fruits and vegetables	Sugar and sweets	Beverages	All foods 4/	Consumer price index
1945	56	81	70	69	66	87	72	61	69	77
1946	69	83	86	84	76	89	81	68	79	83
1947	94	99	97	110	94	98	102	92	96	96
1948	106	102	106	108	103	100	98	100	104	103
1949	100	99	97	82	103	102	100	108	100	102
1950	105	85	96	80	104	98	102	153	101	103
1951	117	104	107	94	114	107	106	169	113	111
1952	116	95	112	79	117	117	106	170	115	114
1953	110	100	110	80	119	114	108	174	112	114
1954	108	84	106	84	122	112	110	207	112	115
Jan.	110	96	110	84	121	111	108	183	113	115
Feb.	110	94	109	83	121	108	108	190	112	115
Mar.	110	83	108	83	121	108	108	198	111	115
Apr.	110	80	105	83	121	110	108	210	112	115
May	111	77	104	84	121	115	108	217	113	115
June	111	76	103	84	121	117	109	222	113	115
July	110	82	104	84	122	120	110	225	114	115
Aug.	108	88	105	85	122	115	110	226	113	115
Sept.	107	85	106	85	123	110	111	209	112	115
Oct.	104	86	107	85	123	111	112	207	111	114
Nov.	104	83	107	83	123	110	113	200	110	115
Dec.	102	77	107	83	123	108	113	201	109	114
1955 5/	102	87	106	81	124	114	112	186	110	114
Jan.	102	74	106	82	123	111	113	202	109	114
Feb.	102	85	106	82	124	111	113	191	110	114
Mar.	102	86	105	82	124	112	113	187	110	114
Apr.	103	79	105	82	124	118	113	186	110	114
May	102	76	104	81	124	120	113	185	110	114
June	104	77	104	81	124	120	113	180	110	114
July	104	82	105	81	124	122	113	180	111	115
Aug.	103	93	106	82	124	111	113	180	110	114
Sept.	104	98	106	81	124	110	113	182	110	115
Oct.	101	98	108	81	124	108	110	185	109	115
Nov.	97	95	108	81	124	109	109	186	108	115
Dec.	95	99	108	80	124	111	109	184	108	115
1956										
Jan.	93	97	107	80	124	113	109	183	108	115
Feb.	94	85	107	80	124	113	109	183	107	115
Mar.	93	85	107	80	124	115	109	188	107	115

1/ Includes chicken and fish. 2/ Includes butter. 3/ Excludes butter. 4/ Includes only foods consumed at home. 5/ Annual average computed from the published monthly figures by AMS.

Bureau of Labor Statistics.

U. S. Department of Agriculture
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U. S. DEPARTMENT OF AGRICULTURE

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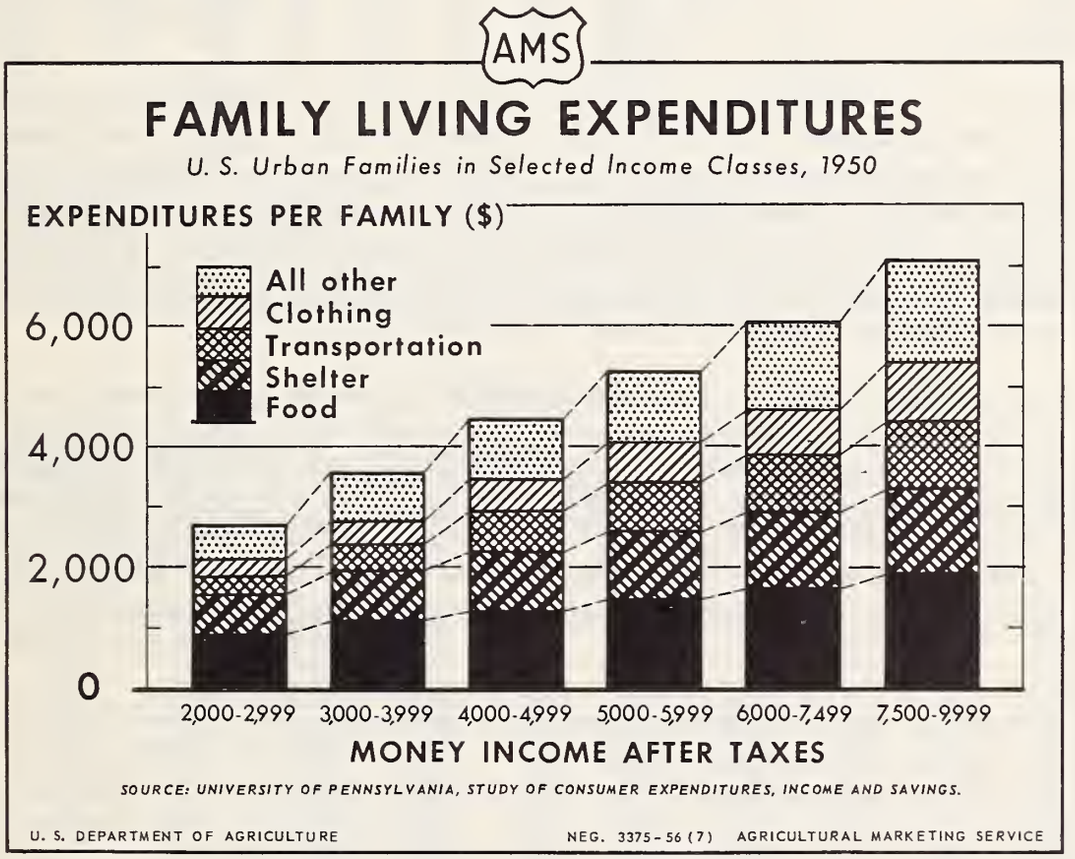
The NATIONAL FOOD SITUATION

NFS- 77

In this issue:
Family Food Expenditures in U. S. Urban Areas in 1950



Urban families spend more money for food, on the average, than for any other group of items for family living. However, the amount spent by families with high incomes is a smaller part of their total expenditures than that spent by those with low incomes. Expenditures for shelter, not so large as for food, follow the same pattern. Expenditures for other items, less in the nature of necessities, are relatively more important in the upper income groups than in the lower.

These expenditure patterns vary not only because of income, but also because of other factors such as family size, region, city size, and other characteristics. The effect of some of these factors on food expenditures is examined in a special article in this issue.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE

Table 1.- Volume of farm marketings and home consumption and civilian per capita food consumption, 1935-39 average, 1949-55, and preliminary estimate for 1956, with percentage comparisons 1/

(Index numbers, 1947-49=100)

Item	1935-39 average	1949	1950	1951	1952	1953	1954	1955	1956 Prel. 2/	1956 as a percentage of 1935-39	1956 as a percentage of 1955
Marketings and home consumption of all farm commodities 3/	73	103	99	101	104	108	108	112	112	153	100
Food grains 4/	54	98	81	77	98	96	91	80	78	144	98
Vegetables 5/	84	98	99	100	96	98	98	101	100	119	99
Fruits and nuts 6/	90	97	97	106	101	102	102	103	102	113	99
Sugar crops	107	94	116	93	94	105	117	108	108	101	100
Total food crops 7/	73	98	91	91	97	98	92	92	90	123	98
Meat animals	72	99	100	104	107	109	112	119	122	169	103
Poultry and eggs	63	105	111	118	118	119	124	122	133	211	109
Dairy products	88	101	101	99	100	105	106	107	111	126	104
Total food livestock 8/	75	101	102	105	107	110	113	117	121	161	103
Food marketings and home consumption	74	100	99	102	104	106	108	110	113	153	103
Civilian per capita food consumption	91	99	9/100	9/98	9/100	9/102	9/101	9/103	9/104	114	101

1/ Beginning 1952 the indexes of the volume of farm marketings and home consumption include changes for livestock based on information from the 1954 Census of Agriculture. 2/ Indications for 1956 are based on calendar-year quantities estimated as of July 1. 3/ Food and nonfood items. 4/ Wheat, rye, rice, and buckwheat. 5/ Truck crops for fresh use and processing, potatoes, sweetpotatoes, dry edible beans, dry field peas, and mung beans. 6/ Except peanuts. 7/ In addition to the crops listed above, includes peanuts, peppermint, popcorn, spearmint, and vegetables grown under glass. 8/ Also includes honey, but excludes turkey hatching eggs. 9/ Incorporates changes in livestock products resulting from revised production data developed from the 1954 Census of Agriculture.

Table 2.- Index of supply-utilization of farm food commodities, 1935-39 and 1947-49 averages, and 1947-56 1/

Year	Production	Imports	Stock change 2/	Total utilization	Domestic use: Food: Civilian	Domestic use: Food: Military 3/	Domestic use: Nonfood 4/	Domestic use: Total	Commercial exports and shipments to Territories 5/	Department of Agriculture export program: Stock change 6/	Department of Agriculture export program: Deliveries 7/	Department of Agriculture export program: Net purchases 8/
Section a. Percentage of total utilization in each year												
1935-39	93.9	8.2	-2.1	100.0	67.8	---	30.1	97.9	2.1	---	---	---
1947-49	95.6	6.5	-2.1	100.0	65.0	2.6	27.6	95.2	2.9	---	1.9	1.9
1947	91.7	6.0	2.3	100.0	64.4	2.3	27.4	94.1	3.3	0.4	2.2	2.6
1948	100.3	6.8	-7.1	100.0	65.8	2.8	27.2	95.8	2.7	-.2	1.7	1.5
1949	94.9	6.8	-1.7	100.0	64.7	2.7	28.1	95.5	2.9	-.2	1.8	1.6
1950	94.7	6.9	-1.6	100.0	65.5	1.4	28.6	95.5	3.2	-.1	1.4	1.3
1951	89.8	6.8	3.4	100.0	63.0	2.7	27.7	93.4	4.6	.3	1.7	2.0
1952	95.0	7.0	-2.0	100.0	65.9	2.0	26.6	94.5	5.2	-.1	.4	.3
1953	95.6	7.1	-2.7	100.0	67.2	1.9	26.0	95.1	4.4	9/	.5	.5
1954 10/	96.1	6.3	-2.4	100.0	68.1	1.6	25.2	94.9	4.7	9/	.4	.4
1955 10/	95.5	6.4	-1.9	100.0	68.0	1.3	24.4	93.7	5.5	9/	.8	.8
1956 10/	94.3	6.0	-.3	100.0	68.0	1.3	24.3	93.6	5.7	9/	.7	.7
Section b. Percentage of total utilization in 1947-49												
1935-39	71.8	6.3	-1.6	76.5	51.8	---	23.1	74.9	1.6	---	---	---
1947-49	95.6	6.5	-2.1	100.0	65.0	2.6	27.6	95.2	2.9	---	1.9	1.9
1947	93.8	6.1	2.4	102.3	65.8	2.4	28.1	96.3	3.4	0.4	2.2	2.6
1948	97.9	6.6	-6.9	97.6	64.2	2.7	26.6	93.5	2.7	-.2	1.6	1.4
1949	95.1	6.8	-1.7	100.2	64.8	2.7	28.2	95.7	2.9	-.2	1.8	1.6
1950	96.0	7.0	-1.6	101.4	66.4	1.4	29.0	96.8	3.2	-.1	1.5	1.4
1951	94.6	7.2	3.6	105.4	66.4	2.9	29.2	98.5	4.8	.3	1.8	2.1
1952	99.4	7.3	-2.1	104.6	68.9	2.1	27.8	98.8	5.5	-.1	.4	.3
1953	101.2	7.5	-2.9	105.8	71.0	2.0	27.5	100.5	4.7	9/	.6	.6
1954 10/	102.6	6.7	-2.6	106.7	72.6	1.7	26.8	101.1	5.1	9/	.5	.5
1955 10/	106.8	7.2	-2.2	111.8	76.0	1.5	27.3	104.8	6.1	9/	.9	.9
1956 10/	108.4	6.9	-.3	115.0	78.2	1.5	28.0	107.7	6.5	9/	.8	.8

1/ Covers farm commodities normally used for food in the United States, including their nonfood use. Relationships were developed from quantitative data on supply and use of unprocessed and processed farm products multiplied by average prices in 1947-49. All values were adjusted to farm values. For methodology see Agriculture Handbook 91, Measuring the Supply and Utilization of Farm Commodities, New Indexes, 1924-54. Production data do not include revisions based on the 1954 Census of Agriculture. 2/ Includes farm and commercial stocks and holdings under price support programs. Minus sign means an addition to stocks; plus sign means a withdrawal from stocks. 3/ Includes civilian feeding in areas occupied by our Armed Forces. 4/ Includes seed, feed, industrial alcohol, alcoholic beverages, etc. 5/ Excludes deliveries by the Department of Agriculture. 6/ Stocks held for export. Here, minus sign means a withdrawal from stocks; plus sign means an addition. 7/ Shipments out of this country. 8/ Represents net quantities withdrawn from domestic commercial channels. 9/ Less than 0.05 percent. 10/ Preliminary.

THE NATIONAL FOOD SITUATION

Approved by the Outlook and Situation Board, July 20, 1956

CONTENTS

	Page		Page
Summary	3	Commodity Reviews - Cont.	
Retail Food Prices	5	Vegetables	12
Commodity Reviews:		Cereal Products	14
Meat	6	Sugar	15
Fishery Products	7	Special Article:	
Poultry and Eggs	7	Family food expenditures in U.S. Urban Areas in 1950	16
Dairy Products	8	Index to tables	22
Fats and Oils	10		
Fruits	11		

SUMMARY

Supplies of food during the remainder of 1956 will be large enough to maintain consumption per person by civilians close to the rate of a year earlier. Retail food prices moved upward during the spring and in June averaged somewhat higher than in June 1955. Demand for food will remain strong and retail food prices in the remainder of this year probably will continue near current levels.

There will likely be somewhat less meat per person in the last half of 1956 than in the same period of 1955. The reduction will be mainly in pork. Consumers will have about as much beef, but a much larger proportion will be of the intermediate and lower grades. Large supplies of other livestock products, except lard, are expected for the near future. Supplies of dairy products, eggs, and poultry meat--both chicken and turkeys--will be sufficiently large during the remainder of 1956 to provide for expected increases over the year-earlier consumption rates. Retail prices of livestock products are expected to average somewhat higher than in the last half of 1955, with the increase for meats, dairy products and lard more than offsetting reductions for eggs and poultry meat.

Total crop production prospects as of midyear were for a considerable reduction from last year's near-record output, but most of the decline will be for crops used mainly for nonfood purposes. Supplies of most food items this summer and fall will be affected little. The crops of rice and grains, for

Table 3.- Apparent civilian per capita consumption of major food commodities, primary distribution weight, calendar years, 1935-39 and 1947-49 averages, 1953-55 and preliminary estimates for 1956, with percentage comparisons 1/

Commodity	Average 1935-39	Average 1947-49	1953	1954	1955 preliminary	Preliminary estimates for 1956	1956 as a percentage of 1935-39	1956 as a percentage of 1947-49	1956 as a percentage of 1955
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Percent	Percent	Percent
Meats (carcass weight) - Total	125.3	146.5	2/153.1	2/152.6	2/160.7	2/162	129	111	101
Beef	54.8	64.7	2/76.5	2/79.0	2/80.9	2/83	151	128	103
Veal	8.1	9.6	2/9.4	2/9.9	2/9.3	2/9.3	115	97	100
Lamb and mutton	6.7	4.8	2/4.6	2/4.5	2/4.6	2/4.3	64	90	93
Pork (excluding lard)	55.7	67.4	2/62.6	2/59.2	2/65.9	2/65	117	96	99
Fish (edible weight) - Total	10.9	10.3	10.7	10.7	10.0	10.0	92	97	100
Fresh and frozen	5.3	5.9	5.9	5.9	5.8	3/	---	---	---
Canned 4/	4.8	3.8	4.2	4.2	3.6	3/	---	---	---
Cured	.8	.6	.6	.6	.6	3/	---	---	---
Poultry products									
Eggs (farm basis) - Number	296	380	2/374	2/371	2/366	2/365	123	96	100
Chicken (ready-to-cook)	13.2	18.5	2/21.6	2/22.5	20.9	2/23.5	178	127	112
Turkey (ready-to-cook)	2.1	3.2	2/4.7	2/5.2	2/5.0	2/5.4	257	169	108
Dairy products									
Total milk fat solids	31.2	29.2	2/26.4	2/26.7	2/27.0	2/27.5	88	94	102
Total nonfat milk solids	39.6	46.6	47.1	48.2	49.3	49.7	126	107	101
Cheese	5.5	6.9	7.3	7.8	7.7	7.8	142	113	101
Condensed and evaporated milk	16.5	19.8	17.1	16.5	15.9	15.7	95	79	99
Fluid milk and cream	330	359	347	348	352	356	108	99	101
Ice cream (product weight)	9.8	18.5	17.7	17.2	17.8	18.3	187	99	103
Fats and oils - Total, fat content 5/	44.8	41.8	43.4	44.8	45.0	45.2	101	108	100
Butter, farm and factory (actual weight)	16.8	10.5	2/8.4	2/8.7	2/8.9	2/9.1	54	87	102
Margarine (actual weight)	2.8	5.5	7.9	8.4	8.0	8.0	286	145	100
Lard	10.9	12.2	2/11.2	2/10.1	2/10.0	2/10.0	92	82	100
Shortening	11.6	9.5	10.1	11.6	11.3	11.3	97	119	100
Other edible fats and oils	6.4	7.2	8.9	9.3	10.0	10.1	158	140	101
Fruits									
Fresh (farm weight) - Total	137.1	130.4	107.8	102.4	102.3	100.0	73	77	98
Citrus	48.5	54.0	42.8	40.7	40.9	38.9	80	72	95
Apples (commercial)	30.2	25.2	20.2	19.3	19.4	19.2	64	76	99
Other (excluding melons)	58.4	51.2	44.8	42.4	42.0	41.9	72	82	100
Processed:									
Canned fruit	14.8	18.1	20.6	19.6	21.8	21.0	142	116	96
Canned juices	3.8	15.9	13.7	13.4	13.1	12.8	337	81	98
Frozen (including juices)	.8	3.2	7.0	7.3	8.6	8.4	1,050	262	98
Dried	5.7	4.2	4.0	4.2	4.2	4.2	74	100	100
Vegetables									
Fresh, total commercial (farm weight) 6/	140	151	147	146	144	143	102	95	99
Canned	29.6	38.5	41.8	41.0	41.8	42.0	142	109	100
Frozen	7/.4	2.8	5.4	5.9	6.6	7.0	1,750	250	106
Potatoes (farm weight)	128	112	102	102	101	100	78	89	99
Sweetpotatoes (farm weight)	21.3	12.3	8.0	7.6	8.9	7.1	33	58	80
Dry edible beans	8.7	6.6	7.7	8.1	7.8	7.8	90	118	100
Dry field peas	.6	.6	.5	.5	.4	.6	100	100	150
Sugar, refined	96.0	93.8	96.5	95.0	96.3	95	99	101	99
Grains 8/									
Corn products:									
Cornmeal	22.8	13.4	12.0	12.0	12.0	12.0	53	90	100
Corn sirup	7.6	9.8	8.7	8.7	8.8	8.9	117	91	101
Cornstarch	1.3	1.8	1.8	1.7	1.8	1.8	138	100	100
Corn sugar	2.7	4.2	4.0	3.7	3.6	3.7	137	88	103
Breakfast cereals	1.6	1.5	1.5	1.5	1.5	1.5	94	100	100
Hominy	1.4	2.8	2.6	2.6	2.6	2.6	186	93	100
Oat food products	3.8	3.4	3.4	3.4	3.4	3.4	89	100	100
Barley food products 9/	1.4	1.6	1.3	1.3	1.3	1.3	93	81	100
Wheat:									
Flour 10/	157	135	126	124	121	120	76	89	99
Breakfast cereals	3.3	3.1	3.1	3.1	3.1	3.1	94	100	100
Rye flour	2.2	1.4	1.5	1.4	1.4	1.4	64	100	100
Rice, milled	5.7	4.8	5.3	5.3	5.3	5.3	93	110	100
Beverages									
Coffee 11/	13.9	18.0	16.7	14.7	15.1	15.4	111	86	102
Tea	.66	.57	.66	.68	.63	.63	95	111	100
Cocoa beans	4.3	4.0	4.2	4.1	3.9	4.1	95	102	105
Peanuts (shelled)	4.3	4.4	4.5	4.0	4.5	3/	---	---	---

1/ Quantity in pounds except for eggs which are stated in number. Data on calendar year basis except for dried fruits, which are on pack year basis; fresh citrus fruits, dry field peas, and peanuts on a crop year basis; rice on August 1 year; and canned fruit and vegetables on pack year basis in 1935-39. All years begin in year indicated except for fresh citrus, which begins in October of the previous year, and rice, which begins in August of previous year. 2/ Incorporates changes resulting from the 1954 Census of Agriculture. 3/ Not available. 4/ Excludes canned food products containing small quantities of fish, such as clam chowder, etc. 5/ Computed from unrounded data. 6/ This series covers total commercial production for sale as fresh, both for shipment to distant markets and for local markets. Excludes farm garden output for farm household use. 7/ Average 1937-39. Data prior to 1937 are not available. 8/ Data 1948 to date are unrevised for results of the 1954 Census of Manufactures. 9/ Barley used for food products in terms of malt equivalent. 10/ Includes white, whole wheat, and semolina flour. 11/ Green bean basis.

Population estimates used to obtain per capita consumption figures are official Census estimates of total population adjusted for underenumeration and for military personnel not eating out of civilian supplies.

example, will likely be smaller this year than last, but supplies will continue in surplus because of the very large carryover stocks. Among the other foods from crops, supplies are expected to be adequate to support a probable increase over a year earlier in civilian per capita consumption of frozen fruits (including juices) and vegetables, canned vegetables, and the cooking and salad oils this summer and fall. Because of reduced output, consumption of fresh fruits, melons, and sweetpotatoes is expected to be smaller than in the last half of 1955. For most of the other foods, consumers are expected to take about as much per person as a year earlier. Retail prices of most of these foods are expected to average a little higher in the last half of 1956 than a year earlier.

Military takings of food during the coming months are expected to be about the same as in the last half of 1955, but exports may be a little higher. As in recent years, the bulk of the food exported will be those for which supplies are much larger than anticipated domestic needs.

RETAIL FOOD PRICES

From August 1954 until June 1956 retail food prices averaged a little lower each month than in the preceding year, according to reports of the Bureau of Labor Statistics. An upward movement began last March and has been maintained in recent weeks by rising prices for meats and fresh fruits and vegetables. The lower level of food prices through May this year than last was in large part a result of the very low prices of meats. In each month meat prices in general were the lowest for the month since 1947.

With food supplies likely to continue large but below the near-record high of a year earlier and consumer demand likely to continue strong, prospects are for food prices in general to continue higher this summer and early fall than last. Among the important food groups, prices of meats, dairy products, fresh and processed fruits and vegetables, and food fats and oils in the last half of this year are expected to average noticeably--but not substantially--higher than in the same part of 1955.

Barring a prolonged strike in the steel industry, economic activity and the flow of income to consumers are expected to continue at a record high rate. Expenditures by business for plant and equipment and a step-up in Government spending, both Federal and State and local, will be among the important factors sustaining the high level of economic activity in this country during the remainder of the year.

Supplies of consumer goods and services will continue at a high level during the remainder of the year, as will expenditures by consumers. Further increases in spending for food are likely in the next few months.

COMMODITY REVIEWS

Meats

During the rest of the year, civilians are expected to have somewhat less meat per person than in the same part of 1955. Pork production will gradually drop below year earlier levels, and late in the year will be substantially lower than the very large supplies of last fall. There may be about as much beef and veal as a year earlier when supplies were plentiful. However relatively less beef will be of the top grades. Retail prices of meat probably will advance somewhat further, seasonally, this summer, and the usual decline during the fall is not expected to be as sharp as last fall. In the first half of the year supplies were very large, and retail prices of both pork and beef through May were lower than in the corresponding months since 1946 and 1947, respectively.

Marketings of cattle for slaughter will increase seasonally in the months ahead, and will likely exceed a year earlier. However, the quantity of beef produced may be no larger than last year because cattle from pastures and ranges in late summer and fall will make up a larger proportion of the total number slaughtered. The average carcass weight of these cattle generally is lighter than that of the grain-fed stock from which the better quality beef is obtained. Compared with the top grades of beef, a relatively smaller proportion of the intermediate and lower grades is generally sold in the form of retail cuts and more as processed meat products. Retail prices for the better grades will likely advance seasonally as the year progresses, while those of the intermediate and lower grades will tend to decline some because of large supplies.

The seasonal upswing in pork production will soon be underway. However, because of an 8 percent smaller spring-pig crop this year than last, output in late summer and fall will be smaller than a year earlier. The low prices received for hogs last fall and winter and rising prices for corn induced farmers to cut back the size of the spring-pig crop. Retail prices of pork increased this spring and will likely advance somewhat more during the summer before declining seasonally this fall. The seasonal price downturn is not expected to be as sharp as it was last fall and prices are expected to average somewhat higher during the remainder of 1956 than a year earlier.

Meat consumption per person during the first half of this year was larger than in the same months last year. Supplies were plentiful as a result of the 10 percent heavier output of both beef and pork, and retail prices averaged considerably lower than in January-June 1955.

For the year as a whole, civilians are expected to consume about the same amount of meat per person as last year. Beef consumption is expected to set a record--the fourth new high in a row--at about 83 pounds per person, up 2 pounds from last year. The rate for pork, however, is expected to be no greater and perhaps down slightly from last year's 66 pounds.

Fishery Products 1/

Civilian consumption of fishery products per person during the next few months is expected to be a little lower than a year earlier, and retail prices somewhat higher. To date, civilian consumption of fishery products has been at a lower rate than a year earlier primarily because of the small reductions for both canned fish and frozen fish sticks. Retail prices through mid-1956, judging from wholesale prices in major markets, averaged much higher than in the same period of 1955.

Commercial landings through June were substantially larger than a year earlier. The large increase in the catch of tuna and Pacific mackerel (which are used mainly for canning) much more than offset the indicated small reduction for the species usually sold in the fresh and frozen forms.

The volume of edible fishery products frozen commercially in the continental United States during the first half of 1956 totaled 100 million pounds. This was 7 percent smaller than a year earlier. Although freezings will continue to increase seasonally during the summer months, for the year as a whole they are not expected to exceed that in 1955. Cold-storage holdings on July 1 totaled 121.4 million pounds, slightly lower than on the same date last year. Stocks of the frozen products will increase during the remainder of the year as supplies are built up for distribution next winter when commercial fishing operations will be at the seasonal low point.

Through April, imports of fishery products other than frozen tuna, which is for canning, were much higher than in the same period of last year. Receipts of the major canned commodities were up by a third, and those of the important fresh and frozen items, by more than one-sixth. Sharp increases occurred for both canned salmon and the fresh and frozen shrimp. Exports of the important types of canned fish were a little lower than in the four months of 1955, with the increase for canned California sardines (pilchards) almost offsetting the large decline for canned salmon.

Poultry and Eggs

Substantially more chicken meat will be available to consumers this summer than last, and at much lower prices. Farmers' sales of commercial broilers thus far this summer and prospects for the next two months point to about 20 percent more output than in the third quarter of 1955. In addition, marketings of farm chickens will be seasonally large and moderately greater than in last July-September.

1/ Prepared in cooperation with the Fish and Wildlife Service, U. S. Department of the Interior.

Chicken meat is expected to continue in large supply during the fall. However, the increase over a year earlier may be smaller this fall than this summer. Higher feed costs and lower prices make the raising of broilers a less profitable enterprise for farmers than it was a year earlier.

Current indications point to larger supplies of eggs than a year earlier during the remainder of 1956, particularly in the last quarter. Cold-storage stocks are lower, but production of eggs will be higher this summer and fall. The size of the laying flock in the next few months will be moderately larger than last year because of the larger number of pullets raised this spring as replacements. The rate of lay per bird is expected to be up a little.

Retail prices of eggs are now relatively close to those at the same time last year, and are likely to continue so for the next month or two. The seasonal peak in prices this fall is expected to come earlier this year than last because of the heavier output in prospect. Reflecting the heavier production, prices this fall are expected to be at levels below those of a year earlier.

The 1956 turkey crop, most of which will be marketed during the remainder of the year, will be record large. Fewer of the light-breed turkeys are being raised this year, but the decline is more than offset by the increase for the heavy-breed birds. As in 1955, heavy-breed birds slaughtered at lighter weights will be offered to help meet the demand for small turkeys.

Retail prices of turkeys are expected to decline as marketings from the 1956 crop start picking up volume. This is expected to encourage increased sales of turkeys during the last half and bring the consumption rate for the year as a whole well above that in 1955. Holiday season prices probably will be lower than at the same time last year.

Dairy Products

Civilian consumption of milk and dairy products per person during the second half of 1956 will be about the same as or slightly higher than a year earlier. Production of milk will be a little higher than in the second half of 1955. Commercial supplies will be in excess of demand at prevailing prices and the excess will be sold in the form of butter, cheese and nonfat dry milk to the Department of Agriculture under the pri' support program. Retail prices for milk and dairy products probably wi' ntinue a little above a year earlier.

Milk output has been at a record high so far in 1956. However, on an annual rate basis, the total flow declined considerably from the first quarter to the second quarter, and the increase over a year earlier narrowed. In May and June particularly, limited pasture feed restricted milk production. The number of milk cows on farms has been close to that of a year earlier, and with continued heavy rates of grain feeding, production per cow

has continued at record high levels. In the first half of 1956, milk production totaled 67.4 billion pounds, about 2.4 billion pounds above the first half of 1955.

Milk production in the next three or four months will be susceptible to fluctuations in pasture conditions. Barring severe and widespread droughts, milk output probably will continue near a year earlier for the next few months but may again show sizable increases toward year's end to raise the annual total to a record of about 127 billion pounds. Production in 1955 totaled 123.5 billion pounds.

Consumption of fluid milk products probably will continue above the 1955 level. With incomes continuing high during the coming months, consumers are expected to purchase more milk than a year earlier, even with slightly higher retail prices. Consumption of fluid whole milk per person apparently is running a little above a year earlier, and use of skimmed milk fluid products--such as chocolate flavored milk drinks--continues to reach new high levels.

The Special School Milk Program has been broadened to distribute milk to children in nonprofit nursery schools, child-care centers, and summer camps. Funds for the Special School Milk Program were first authorized by the Agricultural Act of 1954 and for this year have been expanded 50 percent above the original level.

Supplies of milk for fluid use will be generally adequate in all areas of the country. In early July the retail price of fluid milk delivered to homes in important markets was 24.0 cents per quart compared with 22.7 cents a year earlier.

Of the 2.4 billion pound increase in milk production during the first half of 1956, about half was channeled to fluid milk outlets. Output of butter and cheese was substantially larger than a year earlier during the first four months of the year but averaged smaller during May and June, the months of seasonally high output. Per capita consumption of butter and cheese are each likely to be about the same as a year earlier. Ice cream consumption will decline seasonally through most of the rest of the year but probably will be maintained at a higher level than last year. The decline in per capita use of evaporated milk continued in 1955, and no increase has been indicated as yet in 1956. On a milk equivalent basis, civilian use per person of all dairy products in 1956 probably will be at least as large as in 1955 and possibly a trifle larger.

In April-June, the first quarter of this marketing year, the milk equivalent of butter and cheese bought by the Government under the price support program was slightly less than in the same period last year. During the same period, purchases of nonfat dry milk were a little greater than a year earlier.

Commercial storage stocks of butter and nonfat dry milk are slightly less than a year ago, while commercial stocks of cheese are considerably

higher than in 1955. The Department's holdings of butter have been very small in recent weeks. Only moderate quantities of nonfat dry milk were owned by the Department, but stocks of cheese continued at very high levels although considerably below the level of the past two years.

Fats and Oils

Civilian consumption of food fats and oils per person during the remainder of the year is expected to continue at the year-earlier rate. Supplies will be more than adequate to meet domestic needs, although they are not likely to equal last year's high level. Record exports of edible vegetable oils have been removing a considerable portion of our large output. Retail prices of the fats and oils food products in the coming months are expected to average moderately higher than in the same period last year. During the first half of 1956 they advanced, and in June were somewhat higher than in June 1955. Last year retail prices for the food fats and oils products in January-June were on the downtrend.

The pattern of civilian per capita consumption of food fats and oils in the second half of 1956 is expected to parallel closely that in the first half. During January-June apparent use of butter and margarine was about the same as a year earlier, but that of lard and shortening, combined, was down somewhat. The decline for these two products appeared to have been offset by the increase in the use of cooking oils. So far this year, more lard has been used in shortening than in any previous period because the primary price of lard has been much lower than that of the vegetable oils.

Lard production is now tapering off and in the last half of this year will total somewhat smaller than in the same part of 1955 because of reduced hog slaughter. Barring any sharp reduction in milk production, the output of butter to the end of 1956 is expected to be at least as high as a year earlier. Although supplies of butter will be somewhat smaller than in July-December 1955 because of the lower stocks this July 1, they will be adequate to maintain consumption by civilians during the last half of 1956 at a rate at least on a par with that of a year earlier. Current indications point to a heavy output this year of oilseeds that are crushed for vegetable oils. Crushing of the 1956 oilseed crop will begin picking up volume, seasonally, this fall.

Exports of food fats this year have been at a record level and are expected to continue high through the summer and possibly the fall. Short supplies in other producing areas such as Argentina and the Mediterranean olive oil basin have necessitated large exports from the U. S. This has been assisted by the Public Law 480 programs under which the importing countries could pay for these fats and oils with their local currency instead of dollars. The U. S. exporters are reimbursed in dollars by the U. S. Government. Most of the stocks of butter owned by the Department of Agriculture have now been disposed of partly by donations to domestic institutions and partly by donations and sales at reduced prices in the export market.

Fruit

Production prospects as of midyear indicate somewhat smaller supplies of fresh fruit this summer and fall than last, and some increase for the processed products. More tree nuts may be available this year. Retail prices for most fresh and processed fruits to the end of 1956 are expected to average at least equal to those of a year earlier.

Except for Bartlett pears and plums, the outlook is for somewhat less fresh deciduous fruit during the remainder of this year than in the same part of 1955. Unfavorable weather late last year and early this year damaged trees in most of the important commercial fruit producing areas other than California, where a large part of the crop is processed. Production in the Southern States--mainly peaches--was also reduced by unfavorable weather, but fruit crops there will be larger than in 1955 when damage by freezing weather was greater. A large part of the fruit grown in the Southern States has already been marketed. The decline in consumption of fresh deciduous fruit per person indicated for the second half of 1956 is expected to about offset the increase in the first half, so the rate for the year as a whole probably will roughly equal that in 1955.

Fresh oranges will continue a little smaller in supply and higher in price through early fall this year than last. The crop of California Valencia oranges--which comprise the bulk of the fresh orange supply between early summer and early fall--was a little smaller this year. In addition, exports of these oranges to Europe were unusually heavy this spring as a result of the loss of the crop in Spain due to a freeze last February. Fresh lemons are in smaller supply this summer because of the reduced crop and the heavier pack of frozen lemonade concentrates. Beginning this fall supplies of citrus may be a little larger than a year earlier. July 1 prospects were favorable for at least a small increase in production of oranges and grapefruit in 1956-57. For lemons, the outlook is less favorable than in 1955-56.

With the exception of canned juices, supplies of processed fruits during July-December are expected to be somewhat larger than a year earlier. The 1956 pack of canned fruit probably will be somewhat lighter than last year's record output. Increased production of peaches and possibly fruit cocktail will partially offset the declines in prospect for canned apples, applesauce, cherries and apricots. Packers' stocks of 9 important canned fruits on June 1 were 28 percent greater than a year earlier, but the carryover of most of these items will be reduced considerably before the 1956 packs start moving to market since packers' sales since early June are reported to have remained large.

The pack of frozen fruits may not exceed the record output in 1955. As of July 1 stocks of frozen fruits were 48 percent above those on the same date last year. Midyear stocks of frozen concentrated orange juice were 11 percent larger than on July 1, 1955, reflecting the record output in Florida during the recently completed 1955-56 pack season. Stocks of frozen lemonade concentrate were 5 percent higher this year.

Canned fruit juices will not be as plentiful this summer and early fall as last mainly because of the smaller stocks of citrus juices as of midyear. The pack of canned citrus juices in Florida was over 3 percent larger than in 1954-55, but stocks at the beginning of the 1955-56 season were much smaller than those of a year earlier, and distribution was about as large. Accordingly, stocks held by packers early this summer were about 10 percent smaller than a year earlier.

Dried fruit supplies will continue close to those of a year earlier during the next few months while production from the 1956 fruit crops is underway. Output indications are available for dried prunes only. Prospects as of midyear are for a much larger crop than in 1955 of prunes for drying. The size of the raisin pack, the only other major dried fruit, will depend largely on the size of the white seedless grape crop and the total quantity marketed for fresh use and crushed for wine and juice.

The crop of almonds this year is expected to be a record, up 25 percent from last year, and that of walnuts is indicated to be nearly as large as in 1955, but the filbert crop is expected to be much smaller. Winter freezes this year severely damaged the filbert and walnut crops in Oregon and Washington.

Vegetables

Supplies of fresh vegetables excluding melons are expected to be a little larger this summer than last, but supplies of melons promise to be substantially smaller. Potatoes are expected to be in plentiful supply when harvest of the late summer crop gets well under way. There will be more processed vegetables during the last half of 1956 compared with a year earlier because of the larger packs of both canned and frozen items in prospect. Supplies of sweetpotatoes will be somewhat smaller. During the next few months retail prices of fresh vegetables are expected to average about the same as a year earlier. Prices of processed vegetables probably will average a little higher than those of a year earlier, and prices of both potatoes and sweetpotatoes probably will average substantially above the low levels of last summer and fall.

Fresh vegetables will be in seasonally heavy supply this summer with total supplies, not including melons, expected to be a little larger than a year earlier. Because of the delay in harvest due to weather and other factors, more early-summer vegetables than usual will be marketed in August. According to midyear indications, a material increase in production over last summer is in prospect for celery, cucumbers, lettuce, tomatoes and spinach, and more moderate gains for cabbage and cauliflower. These prospective increases more than offset the expected substantial decline for green peas, and less severe reductions for snap beans, carrots, sweet corn, green peppers, lima beans, beets and eggplants.

Fewer melons will be available this summer than last. Prospective production of cantaloups in down 14 percent from a year earlier and watermelons down 7 percent.

Assuming average growing conditions, this year's fall season vegetable crop for fresh market sale will likely be a little larger than the relatively low output of last fall. The indicated acreage for fall cabbage--the only crop for that season for which an estimate is available at present--is up 11 percent from a year earlier. With average yields of recent years, the indicated acreage would bring forth a substantially larger tonnage of fall cabbage this year than last. Marketing of this crop usually extends into the winter of the following year.

Civilian consumption of fresh vegetables, excluding melons, is expected in 1956 to total a little more per person than last year. Consumption of melons is likely to be substantially smaller than a year earlier.

A little more of the processed vegetables are expected to be available this July-December than last, and a slight increase in civilian consumption of these products per person is likely. Stocks of canned vegetables as of recent dates were considerably smaller than a year earlier, but these declines will be more than offset by the anticipated moderately larger packs of canned vegetables this year. Stocks of frozen vegetables at the end of June were about one-tenth larger than a year earlier and the pack is expected to be up substantially. Indications as of July 1 for 9 important vegetables for commercial processing pointed to almost 9 percent more acreage for harvest this year. In 1955 production of these vegetables represented about 95 percent of the total crop harvested for commercial processing.

With demand likely to continue firm, retail prices of most canned and frozen vegetables in July-December are expected to average a little higher than a year earlier, as they did in the first half of 1956. Another factor adding strength to prices is the higher cost of raw materials, containers and labor this year compared with last year.

Consumption of potatoes per person in 1956 is expected to be down slightly from last year's rate. Supplies in late spring were about one-tenth smaller than in 1955. Early summer supplies were down even more compared with a year earlier and prices were very high. However, indicated production of late summer potatoes is about 7 percent larger than last year, and acreage for fall harvest is expected to be almost as large as a year earlier.

In recent weeks potato prices have declined sharply from the high level of a few weeks earlier, but supplies in late July were still short and prices relatively high. Potatoes are expected to be in plentiful supply once harvest of late summer potatoes attains volume. Retail prices in the last half of 1956 are expected to decline from the midyear level, but will likely continue materially above the relatively low prices in the last half of 1955.

Substantially fewer sweetpotatoes will be available in July-December this year than last, according to July 1 indications, and at retail prices averaging much higher. Production is currently estimated at 15.7 million

hundredweight, one-fourth smaller than the 1955 crop. Consumption of sweetpotatoes in the last half of 1956 is expected to be considerably lower per person than a year earlier, much more than offsetting the small gain in January-June.

Supplies of dry edible beans are not expected to be as plentiful as in the 1955-56 marketing year, but those of dry field peas will likely be much larger. Midyear reports pointed to a 5 percent smaller crop of dry beans this year than last but almost twice as large a crop of dry peas.

Despite the smaller crop in prospect, total supplies of dry beans during the 1956-crop marketing year are expected to be sufficient to maintain civilian consumption of these commodities per person at the year-earlier rate. Retail prices during the coming months probably will average close to those of a year earlier. Prices of dry field peas in the last half of 1956 may be substantially lower than in the same part of 1955, which is expected to encourage a moderate increase in per capita use of these products.

Cereal Food Products

Cereal food products will continue abundant and civilian consumption per person is expected to continue at about the rate of a year earlier. Retail prices of cereal food products in general during the next few months are expected to continue higher than in the same part of last year since there appears to be little likelihood of a downturn in processing and marketing costs. In the past, trends in these costs have largely determined the retail price of food products made from grains.

Supplies of wheat will continue abundant. Carryover stocks at midyear, although at record levels, were not as large as anticipated earlier because of the heavy exports in recent months. The wheat crop this year is expected to be almost as large as last year's. Total current wheat supplies are so large as to meet anticipated domestic needs and exports for the next two years.

Recently released preliminary information obtained from the 1954 Census of Manufactures indicates that per capita consumption of ready-to-eat and to-be-cooked wheat breakfast cereals, and prepared and blended flour were lower in that year than in 1947, when the preceding Census was taken. Within the prepared and blended flour group, the very sharp increase for the prepared flour mixes was more than offset by declines in the tonnages for phosphated and self-rising flours. Census information on other wheat products will be released in the near future.

Supplies of rice in prospect for the last half of 1956 will continue very abundant. Carryover stocks on August 1 will be at an all-time high, an estimated 24 percent larger than on the same date in 1955. This increase about offsets a 14 percent reduction in production this year from last, on the basis of July 1 indications. A substantial reduction in carryover stocks may be effected by August 1, 1957 as a result of the likely increase in rice exports.

Corn and barley are expected to continue in heavy supply while that of oats will be smaller than in most recent years. Production of corn is expected to be slightly larger than last year, but the barley crop--according to July 1 indications--is down 13 percent and the oat crop 24 percent. Carryover of oats on July 1 was record large, barley near record, and a record carryover of corn is in prospect for October 1.

Based on data collected by industry, domestic sales of corn sugar, sirup and starch during the first half of 1956 were a little larger than in the same period last year. During the past few years total domestic use of corn starch and sugar has been about maintained, while the per capita consumption of those two products has declined. Corn sirup use, on the other hand, has increased materially in recent years, and in 1955 per capita consumption of this product was the highest since 1951.

Preliminary information from the 1954 Census of Manufactures indicates that per capita consumption of corn flakes was substantially larger in that year than in 1947, but that of both commercially produced cornmeal and hominy was lower. Consumption of rolled oats and oatmeal was also much smaller than in 1947, but a large part--if not all--of this reduction may have been offset by the increase for ready-to-eat oat products. Sales of the latter are not reported separately in the Census.

Sugar

Marketings of sugar during the remainder of the year will be adequate to maintain civilian per capita consumption of this product close to the 1955 per capita rate. On June 22 the Secretary of Agriculture raised the sugar marketing quota from 8,450,000 tons, raw value, to 8,575,000 tons. This was the second increase in the quota since it was set late last year. Retail prices of sugar in the next few months are not expected to differ substantially from the present level.

The domestic demand for sugar has been somewhat stronger through mid-1956 than a year earlier. Through July 14 deliveries for consumption domestically totaled 4,521,000 tons, raw value, up 4 percent from those in the same period in 1955. In addition, retail prices of refined sugar have not only been a little higher this winter and spring than last, but were on a slight uptrend. In the first half of 1955 prices tended downward slightly.

On May 29 the President approved a bill passed by the Congress to amend the Sugar Act of 1948. The amendment permits the domestic sugar producing areas to participate in the growth of the domestic sugar market. Beginning in 1956, market growth above the floor of 8,350,000 tons will be shared 55 percent by domestic areas and 45 percent by foreign countries. Distribution of quotas among foreign countries has been changed so that beginning with 1957 countries other than Cuba and the Philippines share to a greater extent than heretofore in market growth.

FAMILY FOOD EXPENDITURES IN U. S. URBAN AREAS IN 1950 1/

Recently published detail from the Bureau of Labor Statistics Survey of Consumer Expenditures in 1950 cast much needed light on postwar relationships of major factors associated with food expenditures, such as income and family size. Data are provided for the first time to study the effect of degree of urbanization on family food expenditures. (This survey is not to be confused with the Department of Agriculture's Survey of Household Food Consumption in 1955 which will be reported on later in the year.)

It has long been known that family expenditures for food vary with income and that expenditures differ by the region in which the family resides because of the size of the community, the pattern of income distribution within the region and community, and, of course, family size. The survey data, summarized in tables 4 and 5, reveal that families in the North, on the average, spent almost twenty percent more for food than families in the South, and that families living in suburbs of large cities spent, on the average, about ten percent more for food than those living in large cities. These and the following observations are based on a preliminary review of the detailed statistics of the 1950 survey just published by the University of Pennsylvania. 2/

Observed regional differences in family expenditures for food apparently reflect the historical development of the area. Customs and habits--both purely local and those coming from nationality mixtures--type of industry in the area, age makeup of the population, and other elements can best be summarized on a regional basis though location alone may have little influence on the amount spent for food. On the average, urban families in the North spent more for food in 1950 than those in the West or the South, and families in the West spent more than those in the South. (See table 4.) At the same income level in each region, however, the difference between regions was less. Within each income group, families in the North still spent the most, but those living in the South spent about as much as those in the West. This change in relationship between the South and the West was brought about by the

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1/ Prepared by Robert J. Lavell, Statistical and Historical Research Branch, AMS.

2/ Study of Consumer Expenditures, Income and Savings, Vol.III, Summary of Family Expenditures for Food, Beverages, and Tobacco. University of Pennsylvania, 1956. This volume includes expenditure data for total food, food bought to be prepared at home, and food eaten away from home. These data are classified and cross classified by the following family characteristics: income, family size, family type, occupation, race, and other family characteristics for each of nine classes of cities (large cities, suburbs of large cities, and small cities, in the North, West, and South) and on a more limited basis for each of the 91 cities in the survey. These data were collected by the U. S. Bureau of Labor Statistics in its Survey of Consumer Expenditures in 1950. For further information contact: Consumer Study Group, E-4 Dietrich Hall, University of Pennsylvania, Philadelphia 4, Pennsylvania.

Table 4.- Family food expenditures by income, region and class of city, urban U. S., 1950

Region and class of city	All families	Net money income after taxes: Under $1,000	$1,000-1,999	$2,000-2,999	$3,000-3,999	$4,000-4,999	$5,000-5,999	$6,000-7,499	$7,500-9,999	$10,000 and over
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
	Expenditures for total food per family									
All families	1,130	433	616	900	1,113	1,305	1,488	1,645	1,914	2,411
Northern	1,192	461	621	930	1,146	1,353	1,538	1,667	1,999	2,620
Large city	1,190	468	639	943	1,149	1,374	1,558	1,667	2,055	2,616
Suburban	1,309	459	621	942	1,151	1,332	1,491	1,733	2,027	2,790
Small city	1,063	444	561	865	1,128	1,292	1,512	1,539	1,732	2,287
Southern	1,004	373	605	890	1,056	1,227	1,442	1,610	1,770	2,075
Large city	1,019	381	586	880	1,076	1,229	1,433	1,573	1,778	2,076
Suburban	1,154	406	652	945	1,053	1,263	1,431	1,687	1,813	2,023
Small city	929	364	618	888	1,023	1,206	1,464	1,613	1,739	2,141
Western	1,081	427	618	842	1,071	1,240	1,420	1,613	1,778	2,049
Large city	1,067	434	612	822	1,055	1,230	1,386	1,641	1,779	2,153
Suburban	1,138	458	645	898	1,091	1,269	1,407	1,565	1,885	2,203
Small city	1,077	402	616	850	1,088	1,243	1,481	1,585	1,712	1,871
Large cities combined	1,136	445	623	907	1,117	1,322	1,498	1,650	1,961	2,446
Suburbs combined	1,249	454	633	932	1,124	1,310	1,462	1,695	1,982	2,633
Small cities combined	1,034	405	598	867	1,093	1,255	1,486	1,572	1,725	2,070
	Expenditures for food eaten away from home per family									
All families	216	67	126	152	159	223	304	390	506	847
Northern	220	67	130	157	152	212	297	376	519	912
Large city	230	79	137	178	167	230	317	402	534	875
Suburban	238	94	80	120	140	182	278	359	550	1,031
Small city	157	19	135	104	110	176	200	293	397	806
Southern	187	64	89	133	157	252	321	381	476	796
Large city	205	78	97	160	168	248	327	429	465	849
Suburban	224	62	162	168	156	207	321	378	565	607
Small city	150	54	71	85	139	281	312	312	455	880
Western	226	67	153	156	176	233	309	423	491	716
Large city	257	91	199	169	205	267	336	449	558	899
Suburban	210	56	113	154	144	198	276	375	484	823
Small city	184	34	97	137	145	193	284	397	413	456
Large cities combined	233	82	143	173	176	241	323	418	530	878
Suburbs combined	230	78	102	136	143	189	282	364	537	961
Small cities combined	165	35	100	110	129	205	267	337	414	639

Study of Consumer Expenditures, Income and Savings, University of Pennsylvania, Philadelphia 4, Pennsylvania, 1956.

greater proportion of higher income families in the West, which makes the average expenditure for all incomes combined in that region higher even though the expenditure in each income group is about the same.

There was as much difference between food expenditures of families living in and near large cities and those living in small cities in the same region as there was between families living in different regions. Within each region food expenditures of suburban families were larger than those of families in either large or small cities. In the North and the South, on the average, families in large cities spent amounts about midway between that spent by suburban families and small city families. But in the West, families in small cities spent a little more than those in large cities. In fact, families in small cities in the West spent more than families in small cities in the other two regions and even spent more than families in large cities in the South.

A good deal of this difference in food expenditures among families residing in different city sizes is due to the distribution of families among the income groups. A greater proportion of suburban families were in the upper income groups so, on the average, they tended to spend more for food. However, in the North within each income group, families in large cities generally spent a bit more than families living in the suburbs or in small cities.

If total food expenditures are divided into that spent for food to be prepared at home and that for food eaten away, the region and type of community classification gives a still different picture. At the same income levels there was no consistent regional difference in expenditures for food eaten away from home, but there was a marked difference in these expenditures between small cities, where they were low, and large cities and suburbs, where they were much higher.

There is yet another family characteristic that is much more important than place of residence in determining the food expenditures--and that is family size. Though the old saying is that two can live as cheaply as one, the results of the survey indicate that, on the average, they don't. (See table 5.) In all income classes the larger the family, the higher the food expenditure. However, when total food expenditures are separated into that for food to be prepared at home and that for food eaten away, with few exceptions, in each income group the larger the family the smaller the amount spent for food eaten away from home--a finding different from earlier surveys.

Although expenditures for food were greater for each family size, in successively higher income groups, single persons in each income group, on the average, spent about the same amount for food to be prepared at home. But for food eaten away from home, single persons spent much more in each successive income group than did families of two or more persons.

Table 5.- Family food expenditures by income and family size, urban U. S., 1950

Size of family	All families	Net money income after taxes								
		Under $1,000	$1,000-1,999	$2,000-2,999	$3,000-3,999	$4,000-4,999	$5,000-5,999	$6,000-7,499	$7,500-9,999	$10,000 and over
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
	Average expenditure per family									
All families	1,130	433	616	900	1,113	1,305	1,488	1,645	1,914	2,411
1 person	549	331	500	672	740	981	1,007	1,409	1,155	1,872
2 persons	962	545	636	843	983	1,122	1,262	1,369	1,560	2,013
3 persons	1,208	819	720	958	1,119	1,269	1,444	1,577	1,776	2,309
4 persons	1,403	884	797	1,068	1,227	1,397	1,570	1,697	1,971	2,344
5 persons	1,553	794	763	1,138	1,345	1,511	1,752	1,860	2,091	2,961
6 or more persons	1,711	900	851	1,200	1,476	1,687	1,830	2,130	2,397	3,130
	Average expenditure per person									
All families	377	289	293	333	348	384	413	445	478	652
1 person	549	331	500	672	740	981	1,007	1,409	1,155	1,872
2 persons	481	272	318	422	492	534	601	652	743	1,006
3 persons	390	264	232	309	361	409	466	509	573	745
4 persons	342	216	194	260	299	341	383	424	481	586
5 persons	304	153	147	223	264	296	344	365	410	592
6 or more persons	248	100	117	171	220	252	265	296	342	429

Study of Consumer Expenditures, Income and Savings, University of Pennsylvania, Philadelphia 4, Pennsylvania, 1956.

Each additional person has about the same effect on the amount spent for food by the family as does an additional thousand dollars of income. On the average, families in the middle income groups of a given size spent between $100 and $200 more for food for each additional thousand dollars of income, and families in a given income group spent only a little less than that for each additional person.

There are characteristics other than those examined that tend to influence the amount a family spends for food. Probably as important as family size is the age composition of the family. A family of five adults tends to spend more for food than a family of two adults and three small children. Other characteristics that may have an influence, though probably not as great, are the occupation and education of the head of the family, and the race. Data for study of the effect of these and several other characteristics are included in the reports on which these observations are based.

Table 6.- Production of major food commodities, calendar years, 1935-39 and 1947-49 averages, 1953-55, and preliminary estimates for 1956, with percentage comparisons 1/

Commodity	Unit	Average 1935-39	Average 1947-49	1953	1954	1955 preliminary	Preliminary estimates for 1956 2/	1956 as a percentage of 1935-39	1956 as a percentage of 1947-49	1956 as a percentage of 1955
Meats (carcass weight)										
Beef	Mil. lb.	6,937	9,649	3/12,407	3/12,963	3/13,568	3/14,200	205	147	105
Veal	Mil. lb.	1,038	1,454	3/1,546	3/1,647	3/1,578	3/1,600	154	110	101
Lamb and mutton	Mil. lb.	870	716	3/729	3/734	3/758	3/725	83	101	96
Pork (excluding lard)	Mil. lb.	7,337	10,281	3/10,006	3/9,870	3/10,991	3/11,100	151	108	101
Total meats	Mil. lb.	16,182	22,100	3/24,688	3/25,214	3/26,895	3/27,625	171	125	103
Fish (edible weight)										
Fresh and frozen	Mil. lb.	615	706	660	660	630	4/	---	---	---
Canned 5/	Mil. lb.	337	484	412	460	410	4/	---	---	---
Cured	Mil. lb.	74	70	62	62	62	4/	---	---	---
Total fish	Mil. lb.	1,026	1,260	1,134	1,182	1,102	4/	---	---	---
Poultry and eggs										
Eggs	Mil. doz.	3,335	5,086	3/5,307	3/5,402	3/5,403	3/5,500	165	108	102
Chicken (ready-to-cook)	Mil. lb.	1,730	2,753	3/3,567	3/3,743	3/3,555	3/4,058	235	147	114
Turkey (ready-to-cook)	Mil. lb.	288	492	3/758	3/870	3/818	3/952	331	193	116
Dairy products										
Total milk 6/	Bil. lb.	105.9	116.3	3/120.5	3/122.3	3/123.6	3/127.0	120	109	103
Cheese 7/	Mil. lb.	673	1,160	1,344	1,383	1,353	1,375	204	119	102
Condensed and evaporated milk	Mil. lb.	2,225	3,497	2,875	2,844	2,909	2,905	131	83	100
Ice cream (product weight)	Mil. lb.	1,279	2,758	2,904	2,866	3,023	3,168	248	115	105
Fats and oils										
Butter, farm and factory (actual weight)	Mil. lb.	2,195	1,611	3/1,607	3/1,628	3/1,551	3/1,585	72	98	102
Lard 8/	Mil. lb.	1,630	2,419	3/2,355	3/2,330	3/2,660	3/2,750	169	114	103
Margarine (actual weight)	Mil. lb.	372	839	1,292	1,364	1,333	1,350	363	161	101
Shortening	Mil. lb.	1,529	1,434	1,675	1,961	1,975	1,950	128	136	99
Other edible fats and oils 9/	Mil. lb.	2,157	3,912	5,389	5,495	5,943	6,135	285	157	103
Total fats and oils (fat content) 10/	Mil. lb.	5,554	7,627	9,038	9,136	9,852	10,161	183	133	103
Fruits										
Fresh:										
Citrus	Mil. lb.	6,875	8,782	7,838	7,586	7,798	7,600	111	87	97
Apples (commercial)	Mil. lb.	4,385	3,791	3,208	3,407	3,400	3,300	75	87	97
Other (excluding melons)	Mil. lb.	4,648	4,508	4,142	3,942	3,810	4,000	86	89	105
Processed:										
Canned fruit	Mil. lb.	1,705	2,584	2,876	3,000	3,400	3,100	182	120	91
Canned fruit juices	Mil. lb.	333	2,230	1,924	2,046	1,875	1,950	586	87	104
Frozen (including juice)	Mil. lb.	106	416	1,254	1,280	1,499	1,450	1,368	349	97
Dried	Mil. lb.	1,118	1,008	863	805	840	870	78	86	104
Vegetables										
Fresh, total commercial 11/	Mil. lb.	18,565	23,041	25,066	25,140	25,158	25,500	137	111	101
Canned	Mil. lb.	4,030	6,064	7,184	6,665	7,045	7,600	189	125	108
Frozen	Mil. lb.	12/78	454	1,103	975	1,140	1,300	1,667	286	114
Potatoes	Mil. bu.	355	414	380	356	378	369	104	89	98
Sweetpotatoes	Mil. bu.	68	46	34	30	38	29	43	63	76
Dry edible beans 13/	Mil lb.	1,360	1,854	3/1,650	3/1,694	3/1,697	3/1,607	118	87	95
Dry field peas 13/	Mil. lb.	229	401	3/305	3/311	3/253	3/480	210	120	190
Canned baby foods	Mil. lb.	37	469	666	683	669	680	1,838	145	102
Sugar, raw basis	1,000 short tons	1,948	2,065	2,375	2,610	2,386	2,350	121	114	98
Grains										
Wheat	Mil. bu.	759	1,251	3/1,173	3/984	3/937	3/922	121	74	98
Rye	Mil. bu.	44.9	23.1	3/18.9	3/25.9	3/29.7	3/22.0	49	95	74
Rice, milled	Mil. lb.	1,340	2,333	3/3,114	3/3,383	3/4,028	3/3,410	254	146	85
Corn, grain only	Mil. bu.	2,050	2,788	3/2,882	3/2,708	3/2,908	3/2,930	143	105	101
Oats	Mil. bu.	1,045	1,294	3/1,153	3/1,410	3/1,499	3/1,144	109	88	76
Barley	Mil. bu.	239	279	3/247	3/379	3/400	3/348	146	125	87
Peanuts, farmers' stock basis	Mil. lb.	1,230	2,128	3/1,574	3/1,008	3/1,565	4/	---	---	---

1/ Calendar year basis except for fresh citrus fruit for which the season begins in the fall of the previous year; dried fruits on a pack-year beginning year indicated; rice on a marketing year ending year indicated. 2/ Preliminary estimates based on trends in livestock numbers, current or prospective rates of output, average or probable acreages and yields, and such other data or advance estimates as are available. These estimates are used only to indicate the general level of food supplies for domestic consumption for 1956, but they are based on such official estimates of production as are available at this time. Revisions will of course be made from time to time throughout the year as official indications or estimates are issued through the Crop Reporting Board of the Department. 3/ Incorporates changes resulting from the 1954 Census of Agriculture. 4/ Not available. 5/ Excludes products containing small quantities of fish such as clam chowder, etc. 6/ Includes farm production of milk as reported by the Crop Reporting Board and an allowance for nonfarm production ranging from 2.3 billion pounds in 1935-39 down to zero in 1956. 7/ Excludes full skim, cottage, pot, and bakers' cheese. 8/ Includes amount used in manufactured food and nonfood products. 9/ Includes cottonseed, peanut, soybean, corn, edible olive, and oleo oils, oleo stock, oleostearine, and edible tallow later processed into margarine, shortening, cooking and salad oils, etc., and nonfood items. 10/ Includes butter, lard, and "other edible fats and oils." 11/ This series covers total commercial production for sale as fresh, both for shipment to distant markets and for local markets; includes quantities not harvested and use of a few minor vegetables for processing. Excludes farm garden output for farm household use. 12/ Average 1937-39. Data prior to 1937 are not available. 13/ Cleaned basis.

Table 7.- Retail food prices and total consumer price index, United States, 1945-54 and 1955-56 by months

(Index numbers, 1947-49=100)

Year and month	Meats 1/	Eggs	Dairy products 2/	Fats and oils 3/	Cereals and bakery products	Fruits and vegetables	Sugar and sweets	Beverages	All foods 4/	Consumer price index
1945	56	81	70	69	66	87	72	61	69	77
1946	69	83	86	84	76	89	81	68	79	83
1947	94	99	97	110	94	98	102	92	96	96
1948	106	102	106	108	103	100	98	100	104	103
1949	100	99	97	82	103	102	100	108	100	102
1950	105	85	96	80	104	98	102	153	101	103
1951	117	104	107	94	114	107	106	169	113	111
1952	116	95	112	79	117	117	106	170	115	114
1953	110	100	110	80	119	114	108	174	112	114
1954	108	84	106	84	122	112	110	207	112	115
1955	102	87	106	81	124	114	112	186	110	114
Jan.	102	74	106	82	123	111	113	202	109	114
Feb.	102	85	106	82	124	111	113	191	110	114
Mar.	102	86	105	82	124	112	113	187	110	114
Apr.	103	79	105	82	124	118	113	186	110	114
May	102	76	104	81	124	120	113	185	110	114
June	104	77	104	81	124	120	113	180	110	114
July	104	82	105	81	124	122	113	180	111	115
Aug.	103	93	106	82	124	111	113	180	110	114
Sept.	104	98	106	81	124	110	113	182	110	115
Oct.	101	98	108	81	124	108	110	185	109	115
Nov.	97	95	108	81	124	109	109	186	108	115
Dec.	95	99	108	80	124	111	109	184	108	115
1956										
Jan.	93	97	107	80	124	113	109	183	108	115
Feb.	94	85	107	80	124	113	109	183	107	115
Mar.	93	85	107	80	124	115	109	188	107	115
Apr.	94	84	106	82	124	117	109	189	108	115
May	96	82	108	84	125	122	109	189	110	115
June	99	81	108	85	125	131	109	192	112	116

1/ Includes chicken and fish.
2/ Includes butter.
3/ Excludes butter.
4/ Includes only foods consumed at home.

Bureau of Labor Statistics.

LIST OF TABLES

Table number		Page
1	Volume of farm marketings and home consumption and per capita food consumption	2
2	Index of supply-utilization of farm food commodities	2
3	Apparent per capita consumption of major food commodities	4
4	Family food expenditures by income, region and class of city, urban U. S., 1950	17
5	Family food expenditures by income and family size, urban U. S., 1950	19
6	Production of major food commodities	20
7	Retail food price and total consumer price indexes	21

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1957 OUTLOOK ISSUE
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The NATIONAL FOOD SITUATION

NFS-78

In this issue:
World Food Situation
Coffee Consumption in the United States
Review of U. S. Food Expenditures Patterns, Spring 1955

AMS

Approved by the Outlook and Situation Board, October 29, 1956

SUMMARY

Consumer demand for food is expected to continue strong through 1957. Food supplies will be large, though probably a little below the year-earlier level. Food prices are currently somewhat higher than in fall 1955, and are expected to continue above a year earlier in the first 4 to 5 months of 1957.

During the late fall and winter of 1956-57, we probably will have a little less meat per person and meat prices will continue somewhat higher than the low ones of a year earlier. Because of the low prices received by farmers in late 1955 and early 1956 about 8 percent fewer hogs were raised this year and the number of cattle fed to heavy weight was reduced. However, cattle slaughter will be at least as large this fall and winter as last. Declines in consumption rates from last fall and winter are also indicated for lard, sweetpotatoes, dry beans, apples and grapes. But increases are in prospect for eggs, chicken and turkey, processed fishery products, fresh citrus fruits, frozen orange juice, fresh and processed vegetables, and potatoes. Consumers will have at least as much of dairy products per person as last fall and winter.

(Continued on page 3)

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE

Table 1.- Volume of farm marketings and home consumption and civilian per capita food consumption, 1935-39 average, 1949-55, and preliminary estimate for 1956, with percentage comparisons 1/

(Index numbers, 1947-49=100)

Item	1935-39 average	1949	1950	1951	1952	1953	1954	1955	1956 Prel. 2/	1956 as a percentage of 1935-39	1956 as a percentage of 1955
Marketings and home consumption of all farm commodities 3/	73	103	99	101	104	108	108	112	114	156	102
Food grains 4/	54	98	81	77	98	96	91	80	83	153	104
Vegetables 5/	84	98	99	100	96	98	98	101	105	125	104
Fruits and nuts 6/	90	98	97	107	101	102	103	104	107	119	103
Sugar crops	107	94	116	93	94	105	117	108	111	104	103
Total food crops 7/	73	98	92	91	97	98	95	92	95	130	103
Meat animals	72	99	100	104	107	109	112	119	123	171	103
Poultry and eggs	63	105	111	118	117	118	124	122	133	211	109
Dairy products	88	101	101	99	100	105	106	107	111	126	104
Total food livestock 8/	75	101	102	105	107	110	113	117	122	163	104
Food marketings and home consumption	74	100	99	102	104	106	108	110	115	155	105
Civilian per capita food consumption	91	99	9/100	9/98	9/100	9/102	9/101	9/103	9/104	114	101

1/ Beginning 1952 the indexes of the volume of farm marketings and home consumption include changes for livestock based on information from the 1954 Census of Agriculture. 2/ Indications for 1956 are based on calendar-year quantities estimated as of Oct. 1. 3/ Food and nonfood items. 4/ Wheat, rye, rice, and buckwheat. 5/ Truck crops for fresh use and processing, potatoes, sweetpotatoes, dry edible beans, dry field peas, and mung beans. 6/ Except peanuts. 7/ In addition to the crops listed above, includes peanuts, peppermint, popcorn, spearmint, and vegetables grown under glass. 8/ Also includes honey, but excludes turkey hatching eggs. 9/ Incorporates currently available revisions stemming from 1954 Census of Agriculture.

Table 2.- Index of supply-utilization of farm food commodities, 1935-39 and 1947-49 averages, and 1947-56 1/

Year	Production	Imports	Stock change 2/	Total utilization	Domestic use: Food: Civilian	Domestic use: Food: Military 3/	Domestic use: Nonfood 4/	Domestic use: Total	Commercial exports and shipments to Territories 5/	Department of Agriculture export program: Stock change 6/	Department of Agriculture export program: Deliveries 7/	Department of Agriculture export program: Net purchases 8/
Section a. Percentage of total utilization in each year												
1935-39	93.9	8.2	-2.1	100.0	67.8	---	30.1	97.9	2.1	---	---	---
1947-49	95.6	6.5	-2.1	100.0	65.0	2.6	27.6	95.2	2.9	---	1.9	1.9
1947	91.7	6.0	2.3	100.0	64.4	2.3	27.4	94.1	3.3	0.4	2.2	2.6
1948	100.3	6.8	-7.1	100.0	65.8	2.8	27.2	95.8	2.7	-.2	1.7	1.5
1949	94.9	6.8	-1.7	100.0	64.7	2.7	28.1	95.5	2.9	-.2	1.8	1.6
1950	94.7	6.9	-1.6	100.0	65.5	1.4	28.6	95.5	3.2	-.1	1.4	1.3
1951	89.8	6.8	3.4	100.0	63.0	2.7	27.7	93.4	4.6	.3	1.7	2.0
1952	95.0	7.0	-2.0	100.0	65.9	2.0	26.6	94.5	5.2	-.1	.4	.3
1953	95.6	7.1	-2.7	100.0	67.2	1.9	26.0	95.1	4.4	9/	.5	.5
1954 10/	96.1	6.3	-2.4	100.0	68.1	1.6	25.2	94.9	4.7	9/	.4	.4
1955 10/	95.5	6.4	-1.9	100.0	68.0	1.3	24.4	93.7	5.5	9/	.8	.8
1956 10/	95.3	6.3	-1.6	100.0	67.4	1.3	24.4	93.1	6.2	9/	.7	.7
Section b. Percentage of total utilization in 1947-49												
1935-39	71.8	6.3	-1.6	76.5	51.8	---	23.1	74.9	1.6	---	---	---
1947-49	95.6	6.5	-2.1	100.0	65.0	2.6	27.6	95.2	2.9	---	1.9	1.9
1947	93.8	6.1	2.4	102.3	65.8	2.4	28.1	96.3	3.4	0.4	2.2	2.6
1948	97.9	6.6	-6.9	97.6	64.2	2.7	26.6	93.5	2.7	-.2	1.6	1.4
1949	95.1	6.8	-1.7	100.2	64.8	2.7	28.2	95.7	2.9	-.2	1.8	1.6
1950	96.0	7.0	-1.6	101.4	66.4	1.4	29.0	96.8	3.2	-.1	1.5	1.4
1951	94.6	7.2	3.6	105.4	66.4	2.9	29.2	98.5	4.8	.3	1.8	2.1
1952	99.4	7.3	-2.1	104.6	68.9	2.1	27.8	98.8	5.5	-.1	.4	.3
1953	101.2	7.5	-2.9	105.8	71.0	2.0	27.5	100.5	4.7	9/	.6	.6
1954 10/	102.6	6.7	-2.6	106.7	72.6	1.7	26.8	101.1	5.1	9/	.5	.5
1955 10/	106.8	7.2	-2.2	111.8	76.0	1.5	27.3	104.8	6.1	9/	.9	.9
1956 10/	110.2	7.3	-1.9	115.6	78.0	1.5	28.2	107.7	7.1	9/	.8	.8

1/ Covers farm commodities normally used for food in the United States, including their nonfood use. Relationships were developed from quantitative data on supply and use of unprocessed and processed farm products multiplied by average prices in 1947-49. All values were adjusted to farm values. For methodology see Agriculture Handbook 91, Measuring the Supply and Utilization of Farm Commodities, New Indexes, 1924-54. Data do not include revisions based on the 1954 Census of Agriculture. 2/ Includes farm and commercial stocks and holdings under price support programs. Minus sign means an addition to stocks; plus sign means a withdrawal from stocks. 3/ Includes civilian feeding in areas occupied by our Armed Forces. 4/ Includes seed, feed, industrial alcohol, alcoholic beverages, etc. 5/ Excludes deliveries by the Department of Agriculture. 6/ Stocks held for export. Here, minus sign means a withdrawal from stocks; plus sign means an addition. 7/ Shipments out of this country. 8/ Represents net quantities withdrawn from domestic commercial channels. 9/ Less than 0.05 percent. 10/ Preliminary.

CONTENTS

	Page		Page
Summary	1	Coffee Consumption in the United States	23
Retail Food Prices	3	Review of U. S. Food Expenditure Patterns, Spring 1955	31
Nutritional Review	5	List of Tables	50
Commodity Reviews	6		
World Food Situation	20		

Continued from cover page -

With large stocks and average growing weather, supplies of most foods are expected to continue large throughout 1957. The level of prices for meat animals this fall and winter may encourage farmers gradually to increase hog production, thus regaining the 1956 slaughter rate by late in the year, and to feed as many or more cattle in 1957 as in 1956. Milk production is expected to be up some next year because of a continued increase in output per cow. Production of eggs and poultry meat will continue high in 1957.

Compared with 1956, some small shifts in the pattern of food consumption are indicated. We may expect civilians to consume a little larger quantity per person of chicken meat, fresh oranges and tangerines, frozen concentrated orange juice, and processed vegetables in 1957 than this year. Small reductions are likely for meat, but nevertheless the annual consumption rate next year is expected to average higher than in any year from 1909 to 1954.

Food exports may be about the same next year as in 1956. Exports of rice and dry peas may be much larger but less butter and dry beans may go out.

Current prospects point to world output of major foods in 1956-57 about the same or slightly larger than in 1955-56, which was a good year. Crop conditions were generally favorable in most parts of the world except in Europe and Australia. Output of livestock products, particularly dairy products, will show a further small increase in the coming year. Economic activity continues at high levels in all parts of the world and per capita consumption of food is likely to show a further slight increase in most areas. With increasing consumer incomes, the quantity of food consumed is rising in those areas of the world having generally low levels. There is also widespread shift to foods of higher quality.

RETAIL FOOD PRICES

Retail food prices advanced 6 percent from March to July and then leveled off. Prospects are that they will average somewhat higher this fall than last, though down slightly from those in the summer. Food supplies are large this fall, but probably a little lower than in the last quarter of 1955.

Table 3 .- Apparent civilian per capita consumption of major food commodities, primary distribution weight, calendar years, 1935-39 and 1947-49 averages, 1953-55 and estimates for 1956, with percentage comparisons 1/

Commodity	Average 1935-39	Average 1947-49	1953	1954	1955	1956 preliminary	1956 as a percentage of 1935-39	1956 as a percentage of 1947-49	1956 as a percentage of 1955
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Percent	Percent	Percent
Meats (carcass weight) - Total	125.3	146.5	2/153.1	2/152.6	2/160.7	2/163.5	130	112	102
Beef	54.8	64.7	2/76.5	2/79.0	2/80.9	2/83.5	152	129	103
Veal	8.1	9.6	2/9.4	2/9.9	2/9.3	2/9.3	115	97	100
Lamb and mutton	6.7	4.8	2/4.6	2/4.5	2/4.6	2/4.4	66	92	96
Pork (excluding lard)	55.7	67.4	2/62.6	2/59.2	2/65.9	2/66.3	119	98	101
Fish (edible weight) - Total	10.9	10.3	10.7	10.7	10.0	10	92	97	100
Fresh and frozen	5.3	5.9	5.9	5.9	5.8	3/	--	--	--
Canned 4/	4.8	3.8	4.2	4.2	3.6	3/	--	--	--
Cured	.8	.6	.6	.6	.6	3/	--	--	--
Poultry products									
Eggs (farm basis) - Number	296	380	2/374	2/371	2/366	2/365	123	96	100
Chicken (ready-to-cook)	13.2	18.5	2/21.6	2/22.5	2/20.9	2/23.4	177	126	112
Turkey (ready-to-cook)	2.1	3.2	2/4.7	2/5.2	2/5.0	2/5.4	257	169	108
Dairy products									
Total milk fat solids	31.2	29.2	2/26.4	2/26.7	2/27.0	2/27.4	88	94	101
Total nonfat milk solids	39.6	46.6	47.1	48.2	49.3	49.7	126	107	101
Cheese	5.5	6.9	7.3	7.8	7.7	7.8	142	113	101
Condensed and evaporated milk	16.5	19.8	17.1	16.5	15.9	15.5	94	78	97
Fluid milk and cream	330	359	347	348	352	356	108	99	101
Ice cream (product weight)	9.8	18.5	17.7	17.2	17.8	18.1	185	98	102
Fats and oils - Total, fat content 5/	44.8	41.8	43.4	44.8	45.0	44.8	100	107	100
Butter, farm and factory (actual weight)	16.8	10.5	2/8.4	2/8.7	2/8.9	2/9.0	54	86	101
Margarine (actual weight)	2.8	5.5	7.9	8.4	8.0	8.0	286	145	100
Lard	10.9	12.2	2/11.2	2/10.1	2/10.0	2/10.0	92	82	100
Shortening	11.6	9.5	10.1	11.6	11.3	11.0	95	116	97
Other edible fats and oils	6.4	7.2	8.9	9.3	10.0	10.1	158	140	101
Fruits									
Fresh (farm weight) - Total	137.1	130.4	107.8	102.4	102.3	100.0	73	77	98
Citrus	48.5	54.0	42.8	40.7	40.9	38.9	80	72	95
Apples (commercial)	30.2	25.2	20.2	19.3	19.4	19.5	65	77	101
Other (excluding melons)	58.4	51.2	44.8	42.4	42.0	41.6	71	81	99
Processed:									
Canned fruit	14.8	18.1	20.6	19.6	21.8	21.6	146	119	99
Canned juices	3.8	15.9	13.7	13.4	13.1	12.6	332	79	96
Frozen (including juices)	.8	3.2	7.0	7.3	8.6	8.6	1,075	269	100
Dried	5.7	4.2	4.0	4.2	4.2	4.2	74	100	100
Vegetables									
Fresh, total commercial (farm weight) 6/	140	151	147	146	143	148	106	98	103
Canned	29.6	38.5	41.8	41.0	41.8	42.1	142	109	101
Frozen	7/.4	2.8	5.4	5.9	6.6	7.2	1,800	257	109
Potatoes (farm weight)	128	2/112	2/103	2/106	2/104	2/102	80	91	98
Sweetpotatoes (farm weight)	21.3	2/12.4	2/8.0	2/8.0	2/8.8	2/7.3	34	59	83
Dry edible beans	8.7	6.6	7.7	8.1	7.8	8.1	93	123	104
Dry field peas	.6	.6	.5	.6	.4	.6	100	100	150
Sugar, refined	96.0	93.8	96.5	95.0	96.3	95.6	100	102	99
Grains									
Corn products:									
Cornmeal	22.8	13.4	11.1	10.6	10.0	10.0	44	75	100
Corn sirup	7.6	9.8	8.7	8.7	8.8	8.9	117	91	101
Cornstarch	1.3	1.8	1.8	1.7	1.8	1.8	138	100	100
Corn sugar	2.7	4.2	4.0	3.7	3.6	3.7	137	88	103
Breakfast cereals	1.6	1.5	1.6	1.6	1.6	1.6	100	107	100
Hominy	1.4	2.7	2.4	2.3	2.3	2.3	164	85	100
Oat food products 8/	3.8	3.4	3.4	3.4	3.4	3.4	89	100	100
Barley food products 9/	1.4	1.6	1.2	1.1	1.1	1.1	79	69	100
Wheat:									
Flour 10/	157	135	126	124	121	119	76	88	98
Breakfast cereals	3.3	3.2	2.9	2.9	2.8	2.8	85	88	100
Rye flour	2.2	1.4	1.5	1.4	1.4	1.3	59	93	93
Rice, milled	5.7	4.8	5.3	5.3	5.3	5.3	93	110	100
Beverages									
Coffee 11/	13.9	18.0	16.7	14.7	15.1	15.5	112	86	103
Tea	.66	.57	.66	.68	.63	.63	95	111	100
Cocoa beans	4.3	4.0	4.2	4.1	3.9	4.4	102	110	113
Peanuts (shelled)	4.3	4.4	4.5	4.1	4.3	4.7	109	107	109

1/ Quantity in pounds except for eggs which are stated in number. Data on calendar year basis except for dried fruits, which are on pack year basis; fresh citrus fruits, dry field peas, and peanuts on a crop year basis; rice on August 1 year; and canned fruit and vegetables on pack year basis in 1935-39. All years begin in year indicated except for fresh citrus, which begins in October of the previous year, and rice, which begins in August of previous year. 2/ Incorporates changes resulting from the 1954 Census of Agriculture. 3/ Not available. 4/ Excludes canned food products containing small quantities of fish, such as clam chowder, etc. 5/ Computed from unrounded data. 6/ This series covers total commercial production for sale as fresh, both for shipment to distant markets and for local markets. Excludes farm garden output for farm household use. 7/ Average 1937-39. Data prior to 1937 are not available. 8/ Data 1948 to date are unrevised for results of the 1954 Census of Manufactures. 9/ Barley used for food products in terms of malt equivalent. 10/ Includes white, whole wheat, and semolina flour. 11/ Green bean basis.

Population estimates used to obtain per capita consumption figures are official Census estimates of total population adjusted for underenumeration and for military personnel not eating out of civilian supplies.

With consumer incomes high, demand for food is strong. Marketing charges average a little above a year earlier. Among the major commodity groups, the price increases over last fall for meats, dairy products, fats and oils, cereals and bakery products, and beverages probably will more than offset reductions for eggs, poultry meats and fruits and vegetables.

Consumer demand for food is expected to continue very strong in 1957, reflecting higher spendable incomes. General economic activity may increase so employment will continue high. Although food supplies will be large, prospects are that they will be a little smaller than in 1956. Retail food prices are expected to run a little higher during the early months of 1957 than in January-April 1956.

With incomes high, consumer expenditures for food next year probably will be a little above 1956. This will be due not only to slightly higher food prices in prospect for at least the early months, but also to some likely further increase in purchases of more expensive foods and services connected with food. Marketing margins for food are expected to average slightly higher next year.

Military procurement of food and exports next year are expected to about equal those in 1956.

NUTRITIONAL REVIEW 1/

The nutrient content of the estimated per capita consumption of food for 1956 continues at about the same level as for 1955. For most nutrients this level was considerably higher than that in the prewar period. The slight changes between 1955 and 1956 in specific nutrients are the results of continued long-time trends, notably the increase in consumption of meat, milk, and poultry and the decrease in consumption of cereal grains, potatoes and sweetpotatoes. These trends are reflected in the small increase in units of protein and fat while grams of carbohydrate have decreased. The increase in available niacin also is due to the increase in the consumption of some animal products, notably chicken.

The slight decline in recent years in vitamin A in the per capita food supply parallels the decrease in consumption of leafy, green, and yellow vegetables including sweetpotatoes. The decline in ascorbic acid can be traced to the decrease in these vegetables and potatoes, which has not been balanced by the increased use of citrus fruits. The availability of a steady supply of iron and thiamine during the past decade shows the compensation for decreased cereal consumption by the enrichment program and increased meat consumption. Prospects for 1957 indicate little change from this year in the nutritive value of the per capita food supply.

1/ Prepared by the Household Economics Research Branch, ARS.

Table 4.- Nutrients available from civilian consumption per capita per day, 1935-39 and 1947-49 averages, 1954, 1955, and preliminary estimates for 1956, with percentage comparisons 1/

Nutrient	Unit	Average 1935-39	Average 1947-49	1954	1955	1956 preliminary	1956 as a percentage of 1935-39	1956 as a percentage of 1947-49	1956 as a percentage of 1955
Food energy	Cal.	3,270	3,230	3,190	3,230	3,230	99	100	100
Protein	Gm.	90	94	96	97	98	109	104	101
Fat	Gm.	132	140	144	147	148	112	106	101
Carbohydrate	Gm.	440	406	389	389	386	88	95	99
Calcium	Gm.	.93	1.03	1.05	1.07	1.07	115	104	100
Iron	Mg.	14.4	17.0	17.0	17.0	17.1	119	101	101
Vitamin A value	I.U.	8,200	8,300	7,700	7,800	7,700	94	93	99
Thiamine	Mg.	1.45	1.90	1.85	1.88	1.88	130	99	100
Riboflavin	Mg.	1.88	2.33	2.35	2.40	2.42	129	104	101
Niacin	Mg.	15.8	19.5	19.7	19.8	20.4	129	105	103
Folic acid	Mg.	.132	.133	.134	.138	.139	105	105	101
Ascorbic acid	Mg.	118	121	115	115	114	97	94	99

1/ Data computed by Household Economics Research Branch, ARS, on the basis of estimates of apparent per capita consumption (retail basis), including estimates of produce of rural and urban home gardens, supplied by the Division of Agricultural Economics, AMS. No deduction has been made in nutrient estimates for loss or waste of food in households or for destruction or loss of nutrients during the preparation of food. Data for iron, thiamine, riboflavin, and niacin include the amounts of those nutrients added to prepared cereals, white flour, and bread.

COMMODITY REVIEWS

Meat

Supplies of meat in prospect from now through 1957 will continue large, but slightly smaller than a year earlier. Much of the reduction will be in pork. Civilian consumption of meat per person next year will likely be a little below the peak rates reached in 1955 and 1956, but higher than those of all earlier years back to 1908. Retail meat prices are expected to remain above year-earlier levels through at least the first half of 1957, and to average somewhat higher for the year as a whole.

During the remaining two months of 1956, consumers will have a little less meat per person than a year ago. The decline will be mainly in pork. Almost as much beef may be available as in late 1955, with supplies of the

intermediate and lower grades up enough almost to offset the decline in prospect for the higher-grade fed beef. With demand likely to remain high, retail prices of meat in the remainder of 1956 will continue moderately higher than in the same months of last year, particularly for pork and top-quality beef.

Supplies of pork during the closing weeks of the year will be noticeably below last year, since the spring pig crop was 8 percent smaller than in 1955 and a larger proportion was marketed early. Beef output may be down a little from last fall because a smaller proportion of the cattle slaughtered will be of the heavy-weight grain fed animals. On October 1 there were 1 percent more cattle on feed than a year earlier, but fewer are expected to be ready for marketing this fall. There may be about as much veal as in late 1955, but supplies of lamb and mutton may be down a little if farmers retain more sheep and lambs for feeding to heavier weights, or more ewe lambs for breeding.

Supplies of meat for consumption in the last two months of 1956 will be restricted by a sizable seasonal movement of meat into storage. Expectations of reduced slaughter and higher prices may encourage the building up of stocks of pork particularly, which on October 1 were 9 percent smaller than on the same date last year and the smallest since 1946. In addition, to relieve the market of the heavy supplies of medium and lower grades of beef, the U. S. Department of Agriculture is buying hamburger for distribution through the School Lunch and other eligible programs. Plans have been announced to purchase up to 50 million pounds. As of October 26, about 37 million pounds had been purchased. On the other hand, higher domestic prices may encourage larger meat imports this fall, but any increase over a year earlier would be small.

Meat will be plentiful next year, though slightly less so than in 1955 and 1956. Civilians are expected to have around 157 pounds per person, about 6 or 7 pounds less than the record high estimated for the current year but it will still be a near record. Most of the decline from 1956 probably will occur during the first half of the year and at that time will be due in part to smaller pork supplies resulting from the 8 percent smaller pig crops of 1956. With meat supplies somewhat smaller and consumer incomes up, retail meat prices at least to mid-1957 will be higher than a year earlier. Late in 1957, however, both meat production and prices could very well be close to those of late this year.

Less pork will be available in 1957 than in 1956 until at least early fall. The shorter supply this winter will reflect the effects of the 8 percent smaller spring pig crop of 1956. The lower output in prospect for next spring and summer is based on farmers' intentions as of last June to reduce the fall 1956 farrowings by 7 percent. A lower level of farrowing will likely continue through the first half of the 1957 spring season, affecting slaughter in early fall next year. However, the higher prices received for hogs this fall than last could result in a pig crop after mid-spring 1957 as large as a year earlier. Thus, pork output could equal a year before in the closing months of 1957.

Beef consumption next year may be a few pounds under the record rate of 83.5 pounds per person indicated for 1956 because of a prospective small reduction in output. The total number of cattle on farms at the beginning of next year probably will be about the same as on January 1, 1956. The number of cattle marketed for slaughter in 1957 also is expected to equal the present year, but the average slaughter weight probably will be lighter than the exceedingly heavy weight during much of 1956.

Prospects for early next year are for a little less beef, and a slightly smaller proportion of the top grades than were available in early 1956. Later in the year, the proportion of fed beef may be higher than this year.

Retail prices of beef next year will likely average somewhat above those in 1956. Prices in early 1957 will be above those in the same part of 1956, though probably a little lower than at present. In the latter part of next year, they may average around those of this fall.

Civilians are expected to have about as much veal per person in 1957 as is indicated for this year.

Total supplies of lamb and mutton next year probably will nearly equal those in 1956. Because of a larger civilian population, consumption per person probably will be somewhat lower. Sheep and lamb flocks have been maintained at about the same size for 2 years despite prolonged dry weather in some of the western and southwestern States. Expansion in the East has offset reductions in dry areas of the West. Some expansion in breeding herds could begin during 1957, particularly if range and pasture conditions are more nearly average in sheep raising areas in the West. Lamb and mutton production in 1957 would be temporarily reduced by such a build-up. However, part of the decline might be offset by an increase in marketings of fed lambs, as prospects in October pointed to a little more lamb feeding this winter than last. Also, lamb crops have been increasing slowly, thereby helping to maintain lamb and mutton output.

Imports of meat have decreased each year since 1951. The level of retail meat prices in prospect for 1957 may induce larger imports, but the total would be less than it was several years ago.

Fishery Products 1/

U. S. civilian consumption of fishery products during the next 6 months is expected to be slightly larger then a year earlier. The increase will likely be both in the canned and the frozen commodities. Retail prices of fishery products in the coming months are expected to remain above a year earlier.

1/ Prepared in cooperation with the Fish and Wildlife Service, U. S. Department of the Interior.

Supplies of fresh and frozen fishery products through next winter may total close to those of a year earlier. Commercial landings, now on the seasonal downturn, are not expected to differ substantially from those of last fall but moderately heavier imports of frozen products are likely. Stocks of edible frozen products in cold storage in the Continental United States on October 1 were slightly larger than those on the same date last year. Storage holdings are the most important source for frozen fishery commodities consumed during the winter months when commercial landings are seasonally lowest.

Moderately more canned fishery products will be available during the current marketing year--which ends about mid-1957--than in the preceding year. The 1956 pack of salmon was a little larger than the very small output in 1955, but those of Maine sardines, tuna and mackerel will be up considerably. The current year's pack of California sardines (pilchards) is now underway, and it is still too early to forecast the output of this item. Domestic production of canned fishery products during the current marketing year will be supplemented to some extent by imports. Canned salmon imports probably will again be heavy since the pack increase in the United States and Alaska is not sufficient to meet expected consumer demand.

Total imports of the major fishery products in the next few months are expected to continue at a higher rate than a year earlier. The larger part of the increase probably will be for the frozen items; imports of the canned products will likely be up only a little. Exports during the next few months may be no larger than a year ago because of the limited supplies of the canned fishery products which are popular in our foreign markets.

Poultry and Eggs

Consumption of eggs, chicken meat and turkey meat is expected to be at a higher rate per person this fall than last. Supplies are much larger this fall and retail prices are expected to continue substantially lower. In addition, competition from red meats will be less this fall because meat prices are expected to be moderately above those in the fall of 1955.

Output of eggs was 4 percent greater this September than last, and is expected to exceed year-earlier levels by about the same margin during the remainder of 1956. A heavier rate of lay per bird will account for most of the increased output this fall. At present pullets comprise a larger part of the laying flock than a year ago.

In an effort to relieve the market of surplus supplies, the U. S. Department of Agriculture has been purchasing medium size eggs since late September. These acquisitions are being distributed through the School Lunch and other eligible programs. In addition, to stimulate exports, $2.5 million was made available to Spain for the purchase of 170,000 cases of eggs in this country. A similar program last year involving about $1.2 million resulted in the export of around 70,000 cases (30 dozen per case) of eggs to Spain in December.

Chicken meat will remain in heavy supply throughout this fall. The large increase over a year earlier is mainly due to the greater output of commercial broilers. Marketings of farm chickens remain near the season's peak. Retail prices of chicken meat will continue at a much lower level than a year earlier through December.

Record quantities of turkey meat will be available this November and December. Reflecting the production trend of recent years, there will be fewer of the light-breed birds and more of the heavy breeds. A substantial part of the heavy-breed turkeys will be marketed at lighter weights. Based on the current level of wholesale prices, the retail price of turkeys this November and December probably will average much lower than a year earlier.

The U. S. Department of Agriculture, in an effort to relieve the market of surplus supplies, has been buying turkeys since late September. The quantities purchased are for distribution through the School Lunch and other eligible outlets.

Egg production next year probably will be a little larger than in 1956. The laying flock next January 1 may be only slightly larger than a year earlier, but the rate of lay per bird will likely be up some. Retail prices at the beginning of next year will likely be several cents per dozen lower than those of a year earlier. If the number of replacement pullets raised next spring is not much different from the past spring, there could be a more "typical" seasonal egg price rise later in 1957 than occurred in 1956. Even in such an event, however, the retail price of eggs for the year as a whole may not equal that estimated for 1956.

Supplies of chicken meat next year are expected to be larger than in 1956. Broiler production enterprises are commonly sponsored by feed dealers and processors who need high volume to maintain their competitive position. They pay farmers a prearranged fee or share to raise broilers. The dealers and processors apparently are less sensitive than farmers to short-run changes in the market situation and are thus less likely to cut broiler production as a consequence of low prices than farmers would be if they were risking their own money. Commercial broilers comprise by far the largest part of the chicken meat supply.

While financing is also a factor in turkey production, it evidently is not as widespread as for commercial broilers. Because of the relatively low turkey prices in prospect for late 1956, growers may wish to raise moderately fewer turkeys next year than this year, but the owners of breeder hens intend to have more turkey hens on January 1, 1957 than they had a year earlier. Their intended increase of 16 percent for heavy breed breeder hens overshadows an intended cut of 3 percent for light-breed breeders. In the early part of 1957 retail turkey prices probably will be down some from a year earlier because of the large stocks of 1956-crop turkeys that will likely be carried over.

Dairy Products

Dairy products will continue in plentiful supply through 1957. Retail prices probably will average at about the same level as in the second half of 1956. Civilian consumption per person next year probably will be substantially the same as the rates indicated for 1956.

The total supply of dairy products, including CCC holdings, will be fully adequate to meet anticipated domestic needs and exports during the remainder of 1956, though smaller than a year earlier because of the reduced surplus held by the Government. Production of milk on farms in January-September 1956 was 3 percent above a year earlier and probably will show at least that large an increase in the rest of the year. Storage holdings of most dairy products by private firms are about the same as a year earlier except for cheese which are considerably larger.

Per capita consumption of dairy products in the last quarter of 1956 will be close to that of a year earlier. Use of fluid milk in schools will be up some, since more schools are participating in the Special School Milk Program. Retail prices of dairy products this fall will be at about the year-earlier levels except for butter and fluid milk. The slightly higher prices for butter reflects the increase in support prices which became effective last April. Increases for fluid milk are due partly to the advance in processing and marketing costs and margins. Because of higher retail prices, consumption per person of commercially purchased butter and fluid milk will differ little from the rates of last fall, despite the increase in consumer incomes.

The rate of output per cow is likely to set another new record in 1957 and total farm milk output next year will be above the 127 billion pounds estimated for 1956. The supply of feed concentrates for the coming year will be ample but hay supplies, while adequate in total, are less well distributed than last year. Prices for feed concentrates are running above the levels of last winter but compared with milk prices will be below average during most of the feeding year now underway.

Per capita consumption of the various dairy products is not likely to be significantly different in 1957 from 1956. But with the increase in population, total civilian purchases from commercial sources will increase in the neighborhood of two billion pounds (milk equivalent), approximating the likely gain in farm milk production.

Government purchases of dairy products for price support in 1956 (in terms of milk equivalent) are running at about the same rate as in 1955--about 4 percent of production. Unless present price-production cost relationships change, purchases next year may be of about the same proportion. With continued heavy movement into the various utilization channels, CCC stocks of butter have been reduced from the peak of 466 million pounds in July 1954 to zero. CCC uncommitted stocks of cheese at the end of September totaled 187 million pounds compared with the record of over 435 million about two years ago, but are still large enough to constitute a major disposal problem.

Nonfat dry milk has continued to be utilized in both domestic and foreign programs as has cheese and, despite record purchases by the Department, holdings have been reduced to comparatively low levels. With Government stocks of butter about cleared out, this product is not now available for export except on a commercial basis, and U. S. prices continue above world levels. Since CCC stocks have been reduced, withdrawals from stocks will contribute less to civilan consumption in 1957 than in 1956.

The Special Milk Program has contributed to expanding use of fluid milk in recent years. This program was first authorized by the Agricultural Act of 1954, which provided for the expenditure of up to $50 million per year. Under this legislation, increased consumption of milk is encouraged among children in nonprofit schools of high school grade and under. This year the program was extended to other non-profit care institutions including child care centers, settlement houses, and summer camps. Schools are reimbursed for a portion of the cost of the milk served in addition to the milk included in the complete lunch.

The program was started well after opening of schools in 1954. In the 1954-55 school year $17 million was used and the national volume of fluid milk consumed under the program was 451 million half pints. Early in 1956 the authorized expenditure was increased to $60 million to continue the program in some States which had exhausted their funds. In total, however, $46 million was used and reimbursements were made covering 1,400 million half pints. The authorization for both the 1956-57 and 1957-58 school years has been increased to $75 million and additional outlets, such as child care institutions, are now eligible. Hence, total volume is increasing further this school year, although the gain probably will not be as large as in 1955-56 when many schools first began to participate in the Program.

Fats and Oils

Production of food fats and oils is now increasing seasonally. Apparent civilian consumption during the next few months is expected to continue at about the same rate as a year earlier. Butter prices will average slightly higher than last fall and early winter because of the higher support level. Current indications are that prices of lard and vegetable oils probably will average higher than last fall and winter.

The total supply of food fats and oils in the October 1956-September 1957 marketing year will be about as large as last year's record level. The smaller stocks at the beginning of the current marketing period are expected to be offset by increased production. Supplies of butter and lard will be somewhat smaller but those of vegetable oils will be larger.

Lard production in 1956-57 is expected to be considerably smaller than a year earlier because of a probable 8 percent decline in the number of hogs slaughtered. The total supply of lard will still be in excess of domestic requirements. During the past year, the use of lard in shortening increased significantly because its price in primary markets was much lower than that

of vegetable oils. In 1956-57, the difference between prices of lard and the edible oils may not be as great. This may tend to discourage increased domestic use of lard in shortening.

Butter production probably will be about as large as a year earlier. Milk production is expected to be up some from that in October 1955-September 1956, but most of the increase will likely be used as fluid milk and for dairy products other than butter.

Production of vegetable oils through next September will be moderately above that in 1955-56. Increased output of soybean oil from the record 1956 soybean crop will more than offset the decline in cottonseed oil production. Total supplies of vegetable oils in 1956-57 will be somewhat larger than last year in spite of lower inventories on October 1, 1956. If exports of these products (including the oil equivalent of soybeans) in 1956-57 are equal to last year's record, stocks on October 1, 1957 would be at about the same level as the beginning of the marketing year. Retail prices of the food products of vegetable oils during 1956-57 probably will be substantially the same as those of a year earlier.

Exports of food fats and oils in 1956-57 are expected to remain at relatively high levels as foreign countries continue to need substantial quantities of these commodities. The record demand from foreign countries may be attributed to growing populations, improved standards of living, a continuing high level of economic activity, and the impetus provided by sales for foreign currency under the Public Law 480 programs. The strength of export demand will again be a major price-influencing factor on the level of domestic prices for fats, oils, and oilseeds.

Civilian use of food fats and oils in 1957 is expected to continue close to the 45 pounds (fat content) per capita rate of the three preceding years. Some increase is in prospect for vegetable oils which in large part will offset the small decline for lard.

Civilian consumption of peanuts was relatively stable at about 4.5 pounds (kernel basis) per person from 1950-51 to 1953-54. In 1954-55, the rate fell about a half a pound because of relatively small supplies. Consumption in 1955-56 was maintained close to the 1954-55 rate by the shortage and relatively higher prices of the Virginia type. During the current marketing year (1956-57) consumption is expected to return to at least the 4.5 pound level. Of the peanuts consumed in this country about seven-eights is usually in the form of peanut butter, salted nuts and in candy, and the remainder almost equally divided between roasted peanuts and those consumed on the farm.

Fruits

Supplies of processed fruits and treenuts this fall and winter are expected to be somewhat larger than a year earlier, but those of most fresh fruits probably will be down some. The level of per capita consumption of

these products in the next 4 to 5 months will reflect the corresponding supply situation. Retail prices of most fresh and processed fruits will likely be a little higher than last fall and winter.

Among the important deciduous fruits to be marketed this fall and winter for fresh use, only pears are in heavier supply than a year earlier. Supplies of apples, grapes and cranberries are somewhat smaller. Production of apples was considerably lower this year in a number of States which usually store large quantities for sale after the turn of the year. The crop of winter pears, also stored for marketing later in the season, was larger.

Harvesting of the 1956-57 crop of citrus fruits is now beginning and present indications are that with favorable weather it will total a little larger than in 1955-56. More fresh oranges are in prospect for the next 5 months or so than a year earlier. The early and midseason crops are expected to total 4 percent larger than those of the previous year, and the increase will likely be reflected in both the quantity marketed for fresh use and that processed. Only the juice-type oranges will be in more plentiful supply in the coming months. The prospective smaller crop in California means fewer navel oranges. More tangerines will likely be available this late fall and early winter than last. Current indications are for a 3 percent smaller crop of grapefruit than in 1955-56, but the quantity available for fresh use during the present marketing season probably will be as large as a year earlier since the volume used for processing will likely be down.

Imports of bananas have been rising for the past year or so, and during the first 7 months of 1956 the number of bunches received from abroad were about 6 percent greater than in the same part of last year. Retail prices of bananas last summer were a little lower than those in summer 1955.

Domestic treenuts are expected to be in heavier supply this fall than last. Increases in the production of almonds and pecans more than offset decreases for filberts and walnuts. In addition, there is a large carryover of pecans--last year it was especially small, and there are relatively large quantities of imported walnuts now stored in bond which can be drawn on as demand warrants. As usual, heavy imports of treenut varieties which are not grown in this country (such as Brazil nuts and cashews) will supplement our supplies of the domestic types. In the past season, imports were about equal to domestic production.

Total supplies of canned fruits in remainder of the 1956-57 marketing season will be about as large as a year earlier. The pack probably will total close to the 1955-56 record output. Packers' stocks early this summer were moderately larger this year. The packs of apricots, sweet cherries and red sour cherries were each much smaller than the corresponding output last year, and early indications point to some reduction for canned pears, apples and applesauce. In large part offsetting these declines are the indicated record large pack of canned peaches for 1956-57 and a small increase for fruit cocktail. Receipts of canned pineapple from Hawaii this fall and winter probably will be about as large as a year earlier. On balance, it appears that total

supplies will be large enough to maintain civilian consumption of canned fruit in the current marketing year at or even slightly above the year-earlier per capita rate.

Canned fruit juices may be in less plentiful supply in 1956-57 than in the preceding year but adequate for anticipated domestic needs. Although carryover stocks of canned citrus juices--which comprise the bulk of the total supply--are up moderately this fall, the increase probably will be more than offset by a likely reduction in output from 1955-56. The prospective reduction will be mostly in canned grapefruit juice and blended grapefruit-orange juice. A small increase over the 1955-56 pack seems probable for canned tangerine juice and that of canned orange juice could also be up a little. Continued large shipments of canned pineapple juice from Hawaii are expected. In the past few years civilian consumption of canned fruit juices has been around 13 pounds per capita.

Frozen fruits and fruit juices will be in a little larger supply to the end of the pack year in mid-1957 than a year earlier. The total pack is expected to be at least as large as in 1955-56, and carryover stocks were moderately larger than those of last year. The pack of frozen strawberries this year is expected to be record large and a little heavier pack of frozen peaches is also indicated. However, the total pack of other berries will likely be somewhat smaller than in 1955-56, but that of frozen sour cherries is down sharply. The 1956-57 pack of frozen fruit juices may be a little larger than a year earlier. Prospects are that output of frozen orange juice concentrate will likely exceed the record 1955-56 pack. Production of frozen lemonade concentrate also is up. Civilian consumption of frozen fruits and juices between now and mid-1957 probably will be at about the same rate per person as a year earlier.

A moderately larger total supply of dried fruit is expected to be available in 1956-57 than in the previous marketing year. More dried prunes and peaches will be available. Raisin production is smaller than in 1955-56 but still in excess of anticipated domestic needs. As in recent years large quantities of prunes and raisins will be available for export. U. S. civilian consumption of dried fruit in 1956-57 probably will continue at the rate of 4 pounds per capita per year.

Vegetables

Supplies of fresh and processed vegetables, potatoes and dry peas are likely to be larger this fall and winter than last. Substantially fewer sweetpotatoes will be available than a year earlier and a little less dry edible beans. The demand for fresh and processed vegetables in the next several months is expected to be at least as strong as a year earlier. However, much larger supplies of fresh vegetables this fall are likely to result in a little lower level of prices at retail. Because of larger supplies of processed vegetables, retail prices of a number of important items are expected to average a little under those of a year earlier despite increased

processing and marketing costs. Retail prices of sweetpotatoes through the winter will likely average substantially above the low level of a year earlier, and those for dry edible beans will average about the same. The prospective strong export demand is expected to hold retail prices of dry peas in the current season only moderately below the high level of the 1955-56 marketing year.

October 1 indications point to substantially larger supplies of fresh vegetables this fall than last. A 53 percent heavier crop of early-fall cabbage, an item in short supply last fall, accounts for about two-thirds of the increased total tonnage. But substantial gains are also in prospect for the fall crops of carrots, cauliflower, cucumbers, spinach, lima beans, broccoli, Brussels sprouts, sweet corn, and early fall tomatoes, and a slight increase for celery. Materially less lettuce, green peas, eggplant and peppers will be available than last fall and slightly fewer snap beans. Onions will be in a little heavier supply than a year earlier through about midwinter because of the slightly larger late summer crop. However, if the 1957 early-spring crop is substantially smaller than this year's, as current prospects seem to indicate, the onion supply situation will be tighter from late winter to early spring and retail prices somewhat higher than in the same period of 1956.

With demand for fresh vegetables in 1957 expected to continue strong, growers are expected to plant as large a total acreage to these crops as they did this year. Such an acreage with average growing conditions would yield a tonnage of commercial fresh vegetables close to that harvested in 1956.

Supplies of processed vegetables, both canned and frozen, are expected to be materially larger than those of a year earlier into mid-1957 when the current marketing year ends. Carryover stocks of canned vegetables were considerably smaller than last year, but production reports point to substantially larger packs. The biggest increases are in prospect for both canned and frozen sweet corn and canned tomato juice, which were in tight supply in 1955-56. Among the other important processed vegetables, moderately larger supplies are expected for snap beans, green peas and canned whole tomatoes. Canned tomato products and most of the other canned and frozen vetetables will likely be in moderately to substantially larger supply than a year earlier.

Per capita consumption of processed vegetables during 1956-57 probably will be a little higher than in the preceding marketing year. However, with supplies much larger this year, the prospective increase in the total tonnage of processed vegetables consumed may not be enough to prevent a heavier carryover of stocks at the season's end. In this case, packers probably will seek a smaller acreage of processing vegetables next year. Because supplies are larger than in 1955-56, retail prices of most processed vegetables will likely average a little lower this season than last even though processing and distribution costs are somewhat higher.

Considerably more potatoes are available for distribution this fall and winter than last because of the large late season crops. The late-summer crop was moderately larger than last year's; the important fall crop is estimated to be up around 11 percent and well in excess of the tonnage that can be readily moved into utilization through regular trade channels. The sharp drop in retail potato prices from the very high levels in late spring to mid-summer reflects the heavier supply situation. In late September the U. S. Department of Agriculture put into operation a supplementary payment program for potatoes to assist growers in diverting excess supplies of 1956-crop potatoes into starch, flour and livestock feed.

The 1957 winter crop of potatoes, which is relatively small compared with storage supplies from the previous fall crop being marketed at that time of the year, is likely to be larger than last winter. Growers in Florida and California have reported intentions to plant about one-third greater acreage for winter harvest than last year.

The prospective supply situation indicates that during the next few months retail prices for potatoes are expected to be close to the low levels of a year earlier. Farmers are expected to plant a little smaller acreage to potatoes in 1957. Barring another year of record yields, production probably will be at least moderately lower than this year.

About one-fifth fewer sweetpotatoes are available for distribution in the current marketing year--which ends in mid-1957--than in the preceding one. The smaller crop harvested this year is due to a sharp cutback in acreage, particularly in Louisiana and Texas, and to substantially lower yields. With supplies lighter, per capita civilian consumption of sweetpotatoes in the coming months will be substantially below the year earlier rate. Retail prices will average well above the low levels which prevailed through most of last spring.

Past experience suggests that higher prices received for the 1956 crop probably will encourage farmers to plant a larger acreage to sweetpotatoes next year. Should this occur, near-average yields would result in at least a moderately larger crop than harvested this year.

Supplies of dry edible beans are a little smaller this marketing season than last. Indications are that as many dry beans were harvested as in 1955, but carryover stocks were smaller. Domestic consumption is likely to total about the same as in 1955-56, but exports may be a little smaller this year. Retail prices of pintos are expected to average higher than last season while pea and red kidney beans are likely to average somewhat lower. Farmers are expected to plant a little less acreage to dry beans next year.

Almost twice as many dry field peas will be available for domestic and export markets in 1956-57 as in the previous season. Domestic consumption probably will be substantially larger than a year earlier when supplies were tight. Also, a stronger export demand is in prospect this year, as the pea

crop in Europe has been severely damaged by adverse weather. The heavier exports are expected to take the pressure of large supplies off the domestic market, and retail prices are likely to average only moderately below the high levels of a year earlier.

The high prices of dry field peas during the past three seasons, and the expected favorable prices for the 1956 crop may induce farmers to plant about as large an acreage in 1957 as this year. Near average yields on such an acreage would produce a crop considerably in excess of domestic and normal export requirements and would likely result in sharply lower prices.

Cereal Food Products

Civilian consumption of cereal food products through the end of 1957 probably will be close to the year-earlier rate per person. Retail prices of these foods next year are expected to average a little higher than in 1956 because of the likely continued increase in processing and distribution costs.

The grain crops this year total a little smaller than in 1955, according to October 1 indications. The wheat and corn crops are each up but not quite enough to offset the declines for barley, oats, rye and rice. Carryover stocks in 1956 were record large, so supplies of grain in the current marketing year will be much more than ample to meet estimated domestic food and nonfood needs and the larger exports in prospect for 1956-57.

Supplies of wheat will be heavy in 1956-57, exceeding last year's record of 1,972 million bushels 2 percent. The 1956 crop, estimated at 976 million bushels, is 4 percent greater than last year's and the old-crop carryover was record large. However, utilization of wheat in the current marketing year may be noticeably larger than in 1955-56. If Government programs materialize as planned, exports of wheat in 1956-57 will considerably exceed those of the preceding year, enough so that the carryover next July 1 will be somewhat smaller than on the same date this year.

Civilian per capita consumption of cereal food products of wheat in 1956 probably will be a little lower than last year. In 1955 consumption of these products averaged 172 pounds (grain equivalent) per person. Retail prices of bread and other bakery products have been a little higher than a year earlier through the summer, and those of wheat flour a little lower.

Record quantities of rice are available in the 1956-57 marketing year mainly because of the unusually large carryover. The crop this year is estimated to be about 15 percent smaller than the one before. However, exports of Government-owned rice--which comprised a significant part of the old-crop carryover this year--are expected to be much heavier than in 1955-56, sufficiently heavier to reduce materially the very large carryover by the end of the current marketing year. The greatly increased exports of rice, now in prospect, are possible because surplus supplies in other exporting countries of the world have been reduced to very low levels.

Rice consumption in the United States during 1956-57 is expected to be at about the same rate per person as a year earlier.

According to indications in October, a record supply of corn for grain of over 4.1 billion bushels will be available for distribution in the 1956-57 marketing year. This is about 5 percent greater than the 1955-56 supply, and more than adequate to meet all prospective domestic and export needs. Accordingly, the carryover next October 1 will likely exceed somewhat the record carryover of this year.

Civilian consumption of corn in food products per person in 1957 probably will be no larger than the rate indicated for this year. Total domestic use of corn for food products has been comparatively stable in the past 3 years at about 132 to 133 million bushels. Per capita annual use has trended downward over the past 50 years and the current rate of about 45 pounds (grain equivalent) per person is about one-fourth lower than at the close of World War II and one-tenth lower than it was 5 years ago. In recent years there has been a decline in the per capita consumption of cornmeal, hominy grits and corn sugar, while for cornstarch it has been maintained and for corn sirup and prepared breakfast cereals it has increased.

Both barley and oats will be in smaller supply this marketing year than in 1955-56 because of the smaller crops in 1956. However, supplies will be adequate for anticipated total needs. Domestic food use of these grains represents a very small part of total use.

Sugar

The primary movement of sugar into domestic consumption this year will be somewhat higher than in 1955. With population also higher this year than last, per capita consumption of refined sugar this year probably will be close to that in 1955, when the rate was a little over 96 pounds. Retail prices of refined sugar to date have averaged slightly higher than a year earlier.

Through September domestic deliveries by primary distributors totaled more than 6,700,000 tons (raw value), more than 3 percent above that in the corresponding part of 1955. To meet the strengthening demand for sugar during the current year, the Secretary of Agriculture increased the marketing quota on 6 successive occasions. Initially the quota was established at 8,350,000 tons; now it is 8,775,000 tons. In 1955 the final quota amounted to 8,400,000 tons.

The level of domestic supplies of sugar next year will be initially established by the marketing quota to be announced next month by the Secretary of Agriculture. The Secretary is required by law to establish a sugar marketing quota for 1957 which will result in supplies of sugar adequate to meet consumer needs at prices which will not be excessive to consumers and which will maintain and protect the domestic sugar industry.

WORLD FOOD SITUATION 1/

Current prospects for 1956-57 are for about the same or a slightly larger world output of the major foods than in 1955-56, which was a good year. Crop conditions were generally favorable in most parts of the world except in Europe and Australia. Exceptionally cold weather during February and early March and excessive rainfall during the harvesting period reduced production in most European countries, and unfavorable weather may also cut Australian winter grain crops. Output of livestock products, particularly dairy products, will show a further small increase in the coming year. Carryover stocks of breadgrains and feed grains at the beginning of the current crop year were at record levels, but indications are that there has been some reduction in stocks of rice, edible fats and oils, and sugar in the principal exporting countries, in part brought about by surplus disposal programs. Economic activity continues at high levels in all parts of the world and per capita consumption of food is likely to show a further slight increase in most areas.

Preliminary estimates of the 1956 breadgrain crop indicate that production will be about the same as the large 1955 outturn. The total for wheat and rye, estimated at 263 million short tons, equals the large 1955 total. A considerable increase in wheat was offset by a reduction in rye. Larger wheat crops in the United States, Canada, Africa, and the Soviet Union more than counterbalanced a substantial decline in Europe. In France, ordinarily Europe's largest wheat producer, the 1956 crop was hard hit by the freezes and production is far below normal. The Italian crop is well below last year's record. In most Asian countries prospects are for a crop at least as high as last year's. Early indications are for a good wheat crop in South America, but are much less favorable for Australia because of excessive moisture during the early part of the season in the eastern States.

Present prospects are that this year's rice crop may be equal to the record crop of 1955. Early indications point to an increase in some of the major producing countries of Asia. Japan's crop will not reach the phenomenally high 1955 level, but nevertheless will be very large. The crops in the United States, as well as in Italy, are smaller as a result of the operation of acreage allotments imposed because of surplus problems. Stocks of rice in Asia have been materially reduced in the past year. Those in the United States increased substantially during the past year, but a reduction is expected during the current marketing period because of large exports.

Feed grain crops will again be large, probably somewhat larger than last year, and thus adequate for maintaining or increasing output of livestock products to cover increasing consumption demands. Production of barley and oats combined may be slightly larger than the large 1955 outturn. A

1/ Prepared by the Foreign Agricultural Service, U. S. Department of Agriculture.

higher barley crop, particularly in Western Europe where winter-killed wheat acreage was in part resown to spring barley, offset a decline in world oats production. Early indications are that the corn crop in 1956 will be higher than the 1955 record level, with the greatest increases occurring in the United States and the Soviet Union.

Sugar production during 1956-57 will probably again reach a new record. The largest increases are expected to be in Cuba and the Soviet Union. Early estimates of sugar beet production indicate an increase of more than 4 percent above last year, principally as a result of substantial increases in the Soviet Union, Eastern European countries, Turkey, and the United States. These much more than offset a probable decline in Western Europe, caused mainly by lower production in Italy where acreage has been reduced substantially to bring production in line with consumption. Early indications are that cane sugar production will also show an overall increase. World sugar consumption will probably likewise increase, but it is doubtful the increase will be sufficient both to absorb the gain in production and bring about any significant reduction in the large stocks which have been hanging over the sugar market for several years.

World production of edible fats and oils will probably be at least as large in 1956-57 as last year. Present indications are that crops of cottonseed and peanuts will be only slightly lower and that there will be some reduction in lard production. But crops of other edible oilseeds, particularly soybeans and olives, are expected to be higher. Stocks of edible fats and oils have declined further during the past year and are no longer as serious a problem as they were a year earlier. Consumption, which has been increasing gradually for a number of years, appears to be in balance with production.

Meat production in the principal producing countries of the world is expected to total around 3 percent more in 1956 than in 1955, but there will probably be only minor further increases in 1957. Indications are that more beef, lamb, and mutton will be produced with larger numbers of cattle and sheep on farms and ranches. But pork production is likely to be below 1956 because of fewer pigs raised in 1956 in a number of important producing countries.

World production of milk and dairy products again increased during 1956. Most European countries show a significant increase over last year when dry weather affected output. Increases have been most pronounced in the United Kingdom and Finland. In the Western Hemisphere, Mexico shows the highest rate of increase and the United States the largest increase in quantity. Several other Latin American countries are also expanding production. Milk production in Australia and New Zealand also is higher than in 1955. Output in 1957 will probably again be above current levels, continuing the rather steady increase of the past several years.

Production of fruit will be down somewhat this year in a number of important fruit-growing countries. It has been a bad year for some fruits in Europe; the sharpest reductions will be in prunes (Yugoslavia) and citrus fruit (Spain). Apple and pear production will be down in some European countries, though overall European production of table apples will probably be higher than last year. United States production of apples is down considerably though peaches and pears are up. Early indications are that the 1956-57 citrus crop in the Mediterranean area will be reduced considerably due to the extensive damage last winter. It is likely that the imports of citrus fruits into the European area from areas other than the Mediterranean will increase sharply during the present marketing season for winter oranges.

World trade in food products is likely to continue high during the coming year. Most countries probably will import as much food as last year, and Europe, the United States' biggest market, will need more. A number of European countries will need larger breadgrain imports than last year, not only because crops are lower but also because the proportion of unmillable wheat is unusually high. Moreover, the continuing high level of consumer income in many countries of the world is leading to increased demand for the more expensive foods such as meat, dairy and poultry products, fruits and sugar.

COFFEE CONSUMPTION IN THE UNITED STATES 1/

Postwar Changes and Future Prospects

Summary

U. S. civilian per capita consumption 2/ of coffee was on a downtrend from 1946 to 1955. Increasing retail prices and changes in coffee use by consumers were among the major contributing factors. Three times during the past decade coffee prices rose unusually fast and consumption fell off sharply. Each time the rate of consumption subsequently recovered part of the loss as prices stabilized at a higher level.

An important factor underlying the temporary sharp price rises was the anticipation of tighter world supplies in the following marketing year. In each case, however, production subsequently proved to be larger than expected. The expectation of coffee traders for a greater European demand for coffee as the economies continued to recover from the war also stimulated prices. Furthermore, throughout the postwar period some of the major producing areas have been trying to strengthen the world price of coffee, just as they had for many years prior to World War II.

Looking ahead to the next 5 years or so, we may expect no major changes from rates of the past few years in the level of per capita consumption of coffee. Tending to stimulate consumption will be the expected uptrend in world supplies of coffee and of consumer incomes in this country, and the continued movement of our population away from farms where the coffee consumption rate is lower than in nonfarm areas. On the other hand retail coffee prices are likely to continue high and efficiency in the use of coffee by household consumers and institutions of all kinds is expected to continue to increase.

Review of Postwar Changes

Apparent consumption of coffee by U. S. civilians in 1946, the first full postwar year, was at the record high rate of 19.8 pounds (green equivalent basis) per person. (See table 5.) In the years that followed there were 3 waves of sharp declines and partial recoveries. By 1955 the rate was 15.1 pounds. In no year did consumption fall below the prewar (1935-39) average of 13.9 pounds per person.

The waves in the coffee consumption rate occurred from 1946 to 1949, 1950 to 1953, and 1954 through 1955. In each of these periods, coffee prices rose sharply and then stabilized at a level above those prevailing before the rise. (See table 6.)

1/ Harry Sherr, Statistical and Historical Research Branch, Ams.

2/ Consumption, as used in this article, is measured by movement of coffee into the domestic civilian market (i.e., secondary wholesale distributors, retail outlets, public and private eating places, and institutions). The statistics are in terms of unroasted--i.e., green bean--coffee.

Table 5.- Coffee (green bean equivalent): Supply and distribution, United States, calendar years, 1935-39 average and annual 1946 to 1955

Year	Supply			Distribution								
	Beginning commercial stocks 1/	Imports 2/	Total supply	Ending commercial stocks 1/	Commercial exports and shipments 3/	Department of Agriculture				Domestic disappearance		
						Beginning stocks	Ending stocks	Deliveries	Net purchases for export	Military	Civilian	
											Total	Per capita
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Lb.
1935-39	105	1,837	1,942	118	9						1,815	13.9
1946	4/644	2,682	3,326	4/513	22	1		14	13	2	2,776	19.8
1947	4/513	2,456	2,969	456	23					3	2,487	17.2
1948	456	2,756	3,212	490	22					24	2,676	18.2
1949	490	2,908	3,398	533	20					84	2,761	18.5
1950	533	2,431	2,964	458	9					63	2,434	16.0
1951	458	2,673	3,131	447	7					182	2,495	16.3
1952	447	2,670	3,117	452	10					69	2,586	16.6
1953	452	2,773	3,245	503	12					69	2,641	16.7
1954	503	2,244	2,747	323	12					53	2,359	14.7
1955	323	2,572	2,895	347	15					52	2,481	15.1

1/ Coffee stocks 1935-39 from New York Coffee and Sugar Exchange; January 1, 1948 stocks estimated by the Bureau of Foreign and Domestic Commerce; January 1 stocks in 1947, 1949 to 1952, and 1954 to date based on surveys of the Bureau of the Census; January 1, 1953 stocks from trade data.
2/ Total receipts from Territories and imports into continental United States minus reexports.
3/ Total shipments to Territories and commercial exports from continental United States.
4/ Stocks have been adjusted to include transfers from military to nonmilitary agencies.
Agricultural Marketing Service, U. S. Department of Agriculture.

Table 6.- Coffee: Monthly and annual average retail prices per pound in cities, United States, 1935-39 average and 1946-55

Month	1935-39	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
January	24.8	30.4	44.7	50.6	52.3	75.1	85.7	86.8	86.4	94.5	105.8
February	24.7	30.4	45.9	51.2	52.4	76.4	86.4	87.0	86.3	99.4	97.0
March	24.6	30.4	47.0	51.3	52.3	78.1	86.3	87.0	86.7	105.2	94.2
April	24.4	30.4	47.6	51.3	52.2	77.1	86.6	87.0	89.3	113.6	92.5
May	24.2	30.7	47.5	51.3	52.0	75.0	87.2	86.8	88.9	118.0	92.2
June	24.1	30.7	45.5	51.4	52.1	74.2	87.2	86.8	88.0	120.9	89.0
July	24.1	30.9	45.3	51.5	52.2	76.4	87.1	86.7	88.6	123.0	89.1
August	24.1	31.0	45.6	51.5	52.4	82.5	87.1	86.7	90.0	123.3	89.0
September	24.0	40.4	46.9	51.6	52.9	84.5	86.9	86.7	91.1	111.6	90.5
October	23.9	41.6	47.9	51.6	53.6	86.3	86.8	86.6	91.6	110.0	92.3
November	23.9	41.9	48.8	51.8	66.6	83.6	86.9	86.5	91.4	105.1	93.0
December	23.7	44.1	49.8	52.1	73.4	83.3	86.9	86.6	91.5	105.3	91.6
Annual average	24.2	34.4	46.9	51.4	55.4	79.4	86.8	86.8	89.2	110.8	93.0

Compiled from reports of the Bureau of Labor Statistics, U. S. Department of Labor.

Consumption from 1946 to 1949

A brief review of the supply, demand and price situation in the United States in 1946 provides the basis for a better understanding of why apparent civilian consumption of coffee in that year was record large. In the first place, supplies of coffee in this country available for consumer use were larger than in any preceding year. Imports were the second largest of record at the time and military agencies not only reduced sharply their purchases of coffee but sold large quantities to the trade to reduce heavy wartime reserves to a level in line with their estimated postwar needs. In addition, consumer incomes were relatively high and retail prices--still under wartime controls through most of the year--were relatively low. As a matter of fact, the retail prices for coffee in the middle of 1946--before prices began to rise sharply--were only a little over 4 percent higher than in early 1943 when price controls were established, according to reports of the Bureau of Labor Statistics.

Actual consumption of coffee in 1946 probably was not quite as high as the statistics indicate. Some of the large quantities which moved into distribution channels during the year apparently went to build up inventories both in trade channels and in household cupboards in anticipation of a price rise. The stocks in these "unreported positions" probably were drawn upon in the following year. Thus, the actual reduction in consumption of coffee per person from 1946 to 1947 probably was somewhat less than 2.6 pounds.

During 1948 and most of 1949 retail prices moved upward slowly, and the consumption rate of coffee recovered. In 1948 consumption was 18.2 pounds, one pound per person higher than 1947; in 1949 there was an additional gain of 0.3 pound. (See table 5.)

The sharp rise in the retail coffee price in the latter half of 1946 and the more moderate upward movement in the following year were the result of a combination of factors. Among these factors were (1) anticipation by importers, distributors, and consumers that coffee prices would rise after wartime price controls were terminated and would remain at a much higher level; (2) the lifting of price controls and the termination--in the summer of 1946--of a 3 cents per pound import subsidy for coffee, which had been in effect since late 1945 as a part of the domestic price stabilization program; (3) anticipation of a tighter world supply situation as the European demand recovered from wartime low levels; and (4) efforts of major producing countries to raise the world price of coffee and to maintain it at a level which they believed would yield a fair and equitable return to growers without serious impact on the level of exports. In 1946, when fairly rigid price controls were in effect for a large part of the year, the retail price of coffee in urban areas (according to BLS reports) averaged 34.4 cents per pound; in 1947 --at 46.9 cents per pound--it averaged more than one-third higher. The average price in 1946 was only 15 percent higher than in 1943, the first year price controls were in effect. Retail prices of coffee in 1948 and 1949 averaged 10 percent and 8 percent, respectively, above those of the preceding year. (See table 6.)

Consumption 1950 to 1953

Measured in terms of pounds and percentages, the decline in apparent civilian consumption of coffee per person from 1949 to 1950 was about as large as occurred from 1946 to 1947. The reason for the consumption decline was a steep rise in retail prices in the last quarter of 1949 followed by a more moderate upward movement in the first quarter of 1950.

After decline in the annual rate of coffee consumption in 1950, prices were relatively stable--at a higher level than before the price rise--and the annual average rate of coffee consumption again increased. In 1950 the rate was 16.0 pounds, 2.5 pounds lower than a year earlier. There were increases of 0.3 pound each in the two years that followed, and by 1953 per capita consumption was up another 0.1 pound to a total of 16.7 pounds. The annual rates which prevailed from 1950 to 1953 were lower than in the period immediately preceding the price rise. This is of interest since the rate for 1953 probably includes some quantities consumers reputedly purchased in the last quarter of the year for hoarding and subsequent consumption.

The decline in coffee consumption rate in 1950 was accompanied by more "efficient" use of coffee. Many consumers apparently switched from using the roasted and ground coffee to instant coffee 3/ earlier than they probably would have otherwise. Perhaps also they brewed more cups of coffee than formerly from the same amount of roasted and ground product--with or without the use of extenders such as chicory.

The rise in the retail price of coffee was uninterrupted from late 1949 through the winter of 1950. Apparently it resulted both from the expectation of an important segment of the world coffee trade that world supplies during the coming marketing year (1950-51) would be relatively tight, and from the price-strengthening activities of major coffee producing countries. On the supply side, the huge surpluses which had accumulated in major producing areas since the early 1930's had been disposed of by mid-1949. Also, early reports from Brazil and Colombia--the world's leading producers of coffee--indicated that the 1950 crops there might be substantially smaller than those of the preceding year because of adverse weather conditions during the growing season. On the demand side, by 1949 the European demand for coffee was much more of a factor in the world market than it was in the preceding postwar years even though still below the prewar level.

As it turned out, the tight world supply situation for coffee did not materialize as anticipated. World exportable production 4/ in 1950-51 was 2 percent higher than that of a year earlier. (See table 7.) The coffee crop

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3/ Concentrated soluble coffee powder.

4/ This is the most generally accepted measure of world production of coffee since for some areas output can be estimated only on the basis of reported exports, and, if available, information on changes in stocks. For those countries for which estimates of total production can be made, exportable production represents total production less estimated consumption of own produced coffee.

Table 7.- Coffee: World exportable production, by major areas, annual, 1946-47 to 1955-56 crop years

Crop year	Total	Western hemisphere			Africa	Asia and Oceania 2/
		Brazil	Colombia	Other 1/		
	1,000 bags 3/	1,000 bags 3/	1,000 bags 3/	1,000 bags 3/	1,000 bags 3/	1,000 bags 3/
1946-47	26,682	12,608	5,696	4,491	3,887	
1947-48	26,072	12,253	5,252	4,283	4,284	
1948-49	30,585	15,846	5,599	4,902	4,238	
1949-50	29,827	15,470	5,072	5,022	4,263	
1950-51	30,311	15,722	4,379	5,034	4,604	572
1951-52	31,096	14,230	6,061	5,331	4,942	532
1952-53	33,277	15,200	5,705	6,390	5,357	625
1953-54 4/	33,948	14,300	6,348	5,900	6,286	1,114
1954-55 4/	33,606	14,200	5,665	6,522	6,644	575
1955-56 4/	43,183	21,000	6,500	6,413	8,363	907

1/ The more important coffee producing areas in this group include: Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guadaloupe, Guatemala, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Peru, Puerto Rico, Trinidad, and Venezuela. 2/ Includes French New Caledonia, New Hebrides, Portuguese Timor, and Hawaii. 3/ A bag of coffee has a net content of 60 kilograms, which is equivalent to 132.276 pounds. 4/ Preliminary estimate.

in Brazil was up almost 2 percent from that in 1949-50, offsetting a large part of the 14 percent smaller crop in Colombia. Also, larger exportable supplies were harvested in the "Other Western Hemisphere" producing areas, Africa, and in Asia and Oceania in 1950-51.

Consumption 1954 and 1955

In 1954 the rate of coffee consumption fell off 2 pounds to 14.7 pounds per person, the lowest in the postwar period. But it was still well above the prewar (1935-39) average. As on two occasions in the recent past, the decline occurred in a period after retail coffee prices had begun to rise very rapidly. Again, consumers either used coffee more "efficiently"--by further shift to instant coffee or by increasing the number of cups of the beverage they obtained from a pound of roasted and ground coffee--or actually reduced consumption. In 1955, when prices were declining, coffee consumption for the year as a whole averaged 15.1 pounds per person, more than 2 percent above the rate in 1954.

At the start of the price rise in November 1953, the BLS urban retail price of coffee was 91.4 cents per pound. The rise continued until the following August, when it reached the peak of $1.23 per pound, and then turned downward. The decline continued until it reached a low of 89 cents in June 1955, and then began another upward movement.

The third round of price rises, described above, apparently was based on the same factors as in 1949--namely, expectations on the part of an important part of the trade at home and abroad that world supplies of coffee in the next marketing season would be tight and the efforts of major producing areas to strengthen world prices. A tight supply situation was expected on the basis of reports that the 1954-55 coffee crop in Brazil would be substantially lower than the preceding one because freezing weather in early July 1953 had destroyed or seriously damaged trees in important producing areas in that country. In addition, reports from Colombia--the world's second largest producer of coffee and the leading producer of the high-grade mild qualities--indicated that exportable production in that country would also be smaller than in 1953-54.

Again, as was the experience in 1950-51, the tight world supply situation for 1954-55 did not materialize as anticipated. World exportable production was only about 1 percent smaller than in 1953-54. (See table 7.) The freeze in July 1953 did destroy or damage trees in Brazil, but apparently not to the extent indicated by the early reports since exportable production in that country was almost as large in 1954-55 as in the preceding year. Declines in Colombia and in the Asia-Oceania group were in large part offset by gains in exportable production in the "Other Western Hemisphere" areas and in Africa.

World imports of coffee were much lower in 1954 than a year earlier. Net imports into the United States, for example, were from 12 to 13 percent smaller than in 1953 and a postwar low. This country is the world's leading importer of coffee.

Consumption in 1956

A fourth upsurge in retail coffee prices began in late 1955, but as yet there are no indications that civilian consumption has fallen off. In fact, for the year 1956 as a whole the per capita rate may average a little higher than in 1955.

Results of a survey of roasters, importers, and other holders of green coffee in this country made last July by the Bureau of the Census showed that the total volume of green coffee roasted during the first half of 1956 was almost 13 percent greater than a year earlier and about 9 percent above roastings in the first half of 1951. (In that year civilian consumption averaged 16.3 pounds per person, compared with 15.1 pounds in 1955.) However, there is some question as to how much of the coffee roasted during January-June 1956 was consumed during the same period. Trade reports indicate that roasters' and distributors' stocks of roasted coffee in 1956 have been unusually large.

The Census survey also indicated that the volume of green coffee roasted during the first half of the present year for conversion into soluble coffee was much larger than in the past two years. At an annual rate it represented an increase of more than one-third over such roastings in 1955 and an increase of more than one-half over those in 1954. (Official data on the volume of roastings for sobuble coffee are not available prior to 1954.)

The upswing in retail coffee prices which started last year apparently was due largely to an anticipated tight world supply situation for the higher-grade mild coffee (particularly those qualities which are favored by consumers in the United States) and the price strengthening efforts of major producers. World exportable production in 1955-56 was record large--much above that in the preceding year, and earlier expectations were that world prices for green coffee would not differ substantially from those prevailing at about mid-1955. The sharp rise in the price of the high-grade quality mild coffee had a stimulating influence on those of the other qualities.

A recent study 5/ made by the Foreign Agricultural Service of the U. S. Department of Agriculture indicates that supplies of mild coffees in early 1956 probably were adequate to cover normal consumption needs but not sufficient for both consumption needs and heavy stock-building by importing countries. With inventories low in importing countries, particularly in the United States, purchasing for addition to stocks probably was the most important factor underlying the strong world demand for mild coffees in the 1955-56 marketing year. As far as the United States is concerned, net imports of coffee during 1955-56 were about 40 percent higher than a year earlier; domestic stocks of green coffee on July 1, 1956 were almost two-thirds higher than on the same date in 1955.

Future Prospects

Consumption

A present, prospects are that coffee consumption by civilians in the United States during the next 5 years or so probably will not differ significantly from the per capita rate of the past few years. There will be variations in the rate from year to year, depending on temporary shifts in domestic demand and the world supply-demand balance.

Coffee will continue to be among the most popular beverages consumed in the United States. With real income of consumers likely to continue on the uptrend, an increase in the per capita use of coffee might be expected. Among the other factors favoring an uptrend in coffee consumption per person in this country are the prospective rise in world production of coffee--which should have some stabilizing influence on the long-term movement of coffee prices--and the likely continued movement of the U. S. population away from farms. Preliminary data from the spring 1955 survey of food consumption in households indicate that per capita use of coffee by rural-farm households was lower--on

5/ "Coffee - World Trade and Requirements," Foreign Agricultural Circular FCOF 3-56, September 4, 1956.

the average and by comparable income groups--than for the country as a whole and those of both urban and rural-nonfarm households. The preliminary survey results indicate that expenditures for meals away from home are largest in urban areas, which probably means more coffee is consumed away from home in urban areas than in the rural ones.

On the other hand, a number of factors will be offsetting those tending to push up the per capita coffee consumption rate in this country in the future. The offsetting factors include (1) the likelihood that consumers will continue to improve their "efficiency" in the use of coffee, (2) short-term declines in consumption during periods when prices may rise sharply for a while, as in the past, in anticipation of a temporary tight world supply situation for coffee, and (3) continued efforts of producing countries to raise or maintain the world price of coffee at a high level.

In terms of the total tonnage of coffee used in the United States--barring a sharp decline in the consumption rate per person, which is not anticipated--the long term trend will be upward. In the first place the population will likely continue to grow. Secondly, the number of coffee drinkers will increase during the next 5 years as the large number of children born since about the mid-1940's reach the coffee-drinking age.

World Supplies of Coffee

Although the periodic price upsurges and the general uptrend of retail coffee prices in the postwar period appear to have had some dampening effect on coffee consumption per person in the United States, they have encouraged both increased planting of coffee trees throughout the world and improved cultivation practices on existing plantations. This is indicated by the trend in world exportable production in the postwar years (table 7).

The end to the postwar general uptrend in world production of coffee is not yet in sight. Even if no new trees are planted in the future, given average growing conditions, heavier output can be expected since most of the trees planted in the postwar period have not yet reached the full bearing age. Variations in world production from year to year are to be expected, depending on weather conditions, damage to the crop by disease and insects, and other factors.

Since 1946-47, when exportable production totaled 26.7 million bags 6/, output has moved generally upward, reaching a record in 1955-56 estimated at 43.2 million bags 7/. The increase has been sharpest in the "Other Western Hemisphere" producing areas, Africa, and in Asia and Oceania. Although exportable production in Brazil during the postwar period to 1955-56 did not show a well defined trend, this country has remained the largest producer of coffee in the world. The large number of new trees planted in Brazil during the postwar period will keep that country in the lead among world producers of coffee.

6/ 1 bag = 132.276 pounds. 7/ Preliminary estimate of the Foreign Agricultural Service, U. S. Department of Agriculture.

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Survey of Household Food Consumption, Spring 1955

The first results of the survey of food consumption of American households sponsored by Agricultural Research Service and Agricultural Marketing Service in the spring of 1955 have been published in the preliminary report, Food Expenditures of Households in the U. S. This report, and a series of reports on food consumption, dietary levels, and household food practices represent the joint efforts of the staffs of these two agencies of the U. S. Department of Agriculture. ARS provided leadership on technical development and liaison with the contractor, National Analysts, Incorporated, for the survey and basic tabulations, and allocated the major proportion of funds. 1/

As the processing of the basic statistics from the survey schedules is completed, efforts of the AMS staff will be directed toward description and analysis of marketing aspects, and ARS staff will concentrate on the dietary levels and household food practices revealed by the data. The following article is based on data from the preliminary report, sample size, and some figures on commodity groups which were extracted from preliminary tabulations.

Single copies of the first five statistical reports are expected to be available by the end of the year from the Office of Information, U. S. Department of Agriculture, Washington 25, D. C. To be put on the mailing list for announcements of later reports and articles dealing with marketing aspects of this survey, write to the Marketing Information Division, AMS,USDA.

* *

1/ The study represents the cooperative efforts of many individuals in the Department. Faith Clark, Janet Murray and Ennis C. Blake of ARS had major responsibility for the planning and supervision of the study. They were assisted by George R. Rockwell, Jr. and Thomas J. Lanahan, Jr. of AMS. Consultants for the Department in the drawing of the sample were Earl Houseman and Evelyn Grossman. Others who gave technical assistance in the preparation of these reports are Marguerite C. Burk, Eleanor Hemm, Robert J. Lavell, and Mollie Orshansky.

The study was carried out under the general direction of Gertrude S. Weiss of the Household Economics Research Branch, ARS; Robert M. Walsh of the Market Development Branch, AMS; and James P. Cavin of the Statistical and Historical Research Branch, AMS.

REVIEW OF U. S. FOOD EXPENDITURE PATTERNS, SPRING 1955 2/

Family expenditures for food and alcoholic beverages in the United States averaged $27.05 per week in the spring of 1955. Housekeeping families in the Northeast spent 14 percent more than the U. S. average; those in the North Central region, 4 percent more; in the South, 20 percent less; and in the West, 9 percent more. These data are among the key figures in Food Expenditures of Households in the U. S., the preliminary report on the Survey of Household Food Consumption, issued August 1956. (The regional groupings of States are those of the Census of Population.)

The average family expenditure of $27.05 represents a combination of family averages of the urban, $30.00 3/; the rural nonfarm, $24.28; and the farm, $17.16. These are averages of money outlay and do not mean that rural nonfarm families ate (and drank) 19 percent less than urban families or that farm families ate (and drank) 43 percent less. Lower expenditures for food by farm families are to be expected because they produce some of their own food and they buy fewer marketing services in the form of processed foods and prepared meals. Farm families probably spend less for food because they have lower incomes, but the extent of this we have not yet explored. Much information necessary for studying this factor, and for measuring differences in food consumption rates, will come from the five statistical reports on food consumption now being prepared.

Another way to consider what lies back of these overall figures is to look at averages for families grouped by income (table 8). The $30.00 average of food and beverage expenditures by all urban housekeeping families reporting in the survey 4/ comes from a combination of $10.62 spent by single individuals; $17.53 for families of 2 or more with incomes in 1954 of less than $2,000 after payment of income taxes; $26.54 for families with incomes between $2,000 and $4,000; $32.53 for the $4,000 to $6,000 group; $41.98 for those with incomes of $6,000 or more; and $33.94 for families not reporting their incomes.

This description uses only one dimension of the data in table 8. The 1955 survey provides us with data on food expenditure patterns by income level within each of the categories according to urbanization in each region. Data summarized in the preliminary report are on a family basis. One obvious reason for differences in food outlay among several groups of families is variation in the number of persons included in the families. (Average family sizes

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2/ By Marguerite C. Burk and Thomas J. Lanahan, Jr., Statistical and Historical Research Branch, AMS.

3/ The urban category covers families living in communities of 2,500 population or more, and in the suburbs of large cities. Rural nonfarm includes families living outside urban areas and not operating a farm.

4/ See Technical Notes at end of article for definitions of housekeeping families and households.

Table 8.- Average expenditures per family for food and beverages for home use and away from home by housekeeping families, grouped by region, urbanization, and income, one week, spring 1955 1/

Urbanization and money income per family in 1954 after income taxes (dollars)	U. S.	Northeast	North Central	South	West
	Dollars	Dollars	Dollars	Dollars	Dollars
All families	27.05	30.77	28.22	21.54	29.55
Urban 2/	30.00	32.62	32.28	23.60	30.35
Rural nonfarm 3/	24.28	26.53	24.14	21.79	29.19
Farm	17.16	20.80	18.11	14.74	22.34
One member families					
All	10.13	11.37	10.23	8.46	11.21
Urban	10.62	12.11	11.68	8.42	9.87
Rural nonfarm	9.08	7.70	7.83	8.92	4/18.46
Farm	8.27	14.12	8.85	6.44	9.63
Families of 2 or more					
Under 2,000 - all	14.69	16.29	14.98	13.88	17.78
Urban	17.53	17.27	20.27	16.78	16.80
Rural nonfarm	13.47	14.73	12.58	13.22	17.47
Farm	12.70	16.59	12.89	11.71	20.83
2,000-3,999 - all	25.16	27.73	25.15	23.27	25.41
Urban	26.54	29.18	27.68	23.48	25.98
Rural nonfarm	24.90	25.46	24.44	24.86	24.98
Farm	18.31	18.56	18.13	17.55	22.88
4,000-5,999 - all	31.31	33.91	30.30	29.07	30.87
Urban	32.53	35.60	31.89	29.33	30.23
Rural nonfarm	30.18	29.64	29.14	30.08	35.52
Farm	22.78	23.49	22.71	22.59	22.92
6,000 and over - all	40.32	41.85	40.43	33.89	44.45
Urban	41.98	43.16	43.14	33.65	45.11
Rural nonfarm	37.15	37.35	34.77	38.22	45.49
Farm	26.52	34.65	25.47	22.85	30.00
Not classified - all	29.38	33.51	28.45	23.06	31.70
Urban	33.94	35.87	34.13	28.45	33.80
Rural nonfarm	24.64	26.79	25.67	21.08	29.09
Farm	17.45	21.25	16.65	16.57	20.06

1/ From Food Expenditures of Households in the United States, preliminary report of Survey of Household Food Consumption, Spring 1955. U. S. Department of Agriculture, Washington, D. C., August 1956. Data include all alcoholic beverage expenditures reported.

2/ Families living in communities of 2,500 or more and in suburbs of large cities.

3/ Families living outside urban areas but not operating farms.

4/ Small number of cases in this category included an individual with several guests for week.

are given in table 16.) Averages per family were divided by average family sizes to derive the figures on food and alcoholic beverage expenditures per person given in table 9.

The housekeeping families surveyed reported that they spent about 18 percent of their total outlay for food and beverages for meals, snacks, and beverages away from home. This is not a measure of the division of all U. S. food and alcoholic beverage expenditures between purchases or use for home consumption and eating out; people who live in hotels or nonhousekeeping rooms or families who were away from home throughout the survey period were not sampled in the survey. To be included, someone in the household must have eaten 10 or more meals prepared from household supplies in the preceding week. Table 10 summarizes data on away-from-home eating of housekeeping families, taken from the preliminary report.

Behind these average figures for expenditures for food and alcoholic beverages lie many facts vital to the analysis of contemporary food marketing and to the forecast of future demand for food. To make a start toward bringing the mass of new data into focus on marketing problems, in the ensuing paragraphs we pose a series of questions, and supply answers, based on preliminary study of the data.

Do the survey data describe the whole U. S. food market? From the total amount reported spent for food in each region and the U. S., we subtracted expenditures for alcoholic beverages for home use, which were reported separately, to obtain a regional breakdown of the U. S. food market. 5/ Families in the Northeast reported 31 percent of total U. S. expenditures by housekeeping families for food at home and for food and beverages away from home; in the North Central region, 32 percent; South, 24 percent; and West, 13 percent.

The distribution of the market for food sold for use at home and away from home among urban, rural nonfarm, and farm families is materially affected, of course, by the proportion of households in each category and by the extent of production for home use. Figures given in table 11 show the net effect of these factors combined with differences in income and other economic and social factors. Although we cannot analyze these figures without reference to data coming from the forthcoming 5 reports, they are interesting in themselves. The rural nonfarm share of the market is almost a fourth of the U. S. total, and varies from about a fifth in the Northeast and West to a third in the South. Moreover, in the South the farm share of the market is also above the U. S. average and, conversely, urban families account for only 55 percent of the total food market of the South compared with 69 percent for the entire country.

5/ AMS data on food marketing and food consumption regularly exclude alcoholic beverages.

Table 9.- Per capita expenditures of housekeeping families for food and beverages for home use and away from home, grouped by region, urbanization, and income, one week, spring 1955 1/

Urbanization and money income per family in 1954 after income taxes (dollars)	U. S.	Northeast	North Central	South	West
	Dollars	Dollars	Dollars	Dollars	Dollars
All families	7.89	9.21	8.32	5.95	9.18
Urban	9.20	10.01	9.78	7.17	9.67
Rural nonfarm	6.82	7.58	7.18	5.69	8.98
Farm	4.28	5.43	4.67	3.53	5.71
One member families					
All	10.13	11.37	10.23	8.46	11.21
Urban	10.62	12.11	11.68	8.42	9.87
Rural nonfarm	9.08	7.70	7.83	8.92	2/18.46
Farm	8.27	14.12	8.85	6.44	9.63
Families of 2 or more					
Under 2,000 - all	4.48	5.56	5.43	3.84	6.51
Urban	6.09	6.21	8.08	5.33	7.47
Rural nonfarm	4.18	4.96	5.01	3.72	5.46
Farm	3.32	4.89	4.00	2.81	6.13
2,000-3,999 - all	6.82	7.92	7.13	5.78	7.65
Urban	7.62	8.64	8.38	6.28	7.69
Rural nonfarm	6.32	6.78	6.51	5.67	8.19
Farm	4.50	4.78	4.71	4.06	5.54
4,000-5,999 - all	8.26	9.18	8.06	7.29	8.20
Urban	8.94	9.81	8.87	7.83	8.38
Rural nonfarm	7.53	7.71	7.42	7.09	8.52
Farm	5.08	5.49	5.13	4.83	5.06
6,000 and over - all	10.64	10.96	10.42	9.10	12.62
Urban	11.37	11.46	11.42	9.48	12.92
Rural nonfarm	9.56	9.50	8.85	9.56	14.00
Farm	5.58	6.00	5.22	5.03	6.45
Not classified - all	8.67	10.60	8.29	6.13	9.84
Urban	10.71	11.42	10.67	8.92	10.66
Rural nonfarm	6.98	8.81	7.51	5.10	9.18
Farm	4.30	5.56	4.13	3.90	5.50

1/ From Food Expenditures of Households in the United States, preliminary report of Survey of Household Food Consumption, Spring 1955. U. S. Department of Agriculture, Washington, D. C., August 1956. Data include all alcoholic beverage expenditures reported.

2/ Small number of cases in this category included an individual with several guests for week.

Table 10.- Average expenditures per family for meals, snacks, and all beverages away from home, by housekeeping families, grouped by region, urbanization, and income, one week, spring 1955 1/

Urbanization and money income in 1954 after income taxes (dollars)	U. S.			Northeast			North Central			South			West		
	Expense for food and beverages away from home	Percentage of all food and beverage expense	Percentage of families having away from home expense	Expense for food and beverages away from home	Percentage of all food and beverage expense	Percentage of families having away from home expense	Expense for food and beverages away from home	Percentage of all food and beverage expense	Percentage of families having away from home expense	Expense for food and beverages away from home	Percentage of all food and beverage expense	Percentage of families having away from home expense	Expense for food and beverages away from home	Percentage of all food and beverage expense	Percentage of families having away from home expense
	Dollars	Percent	Percent	Dollars	Percent	Percent	Dollars	Percent	Percent	Dollars	Percent	Percent	Dollars	Percent	Percent
All families	4.76	17.6	77.0	6.00	19.5	80.4	4.95	17.5	75.4	3.29	15.3	75.2	5.17	17.5	78.1
Urban	5.76	19.2	81.7	6.93	21.2	83.1	6.19	19.2	81.5	3.72	15.8	81.0	5.71	18.8	80.4
Rural nonfarm	3.53	14.5	70.8	3.70	13.9	74.1	3.51	14.5	66.2	3.33	15.3	71.9	3.98	13.6	72.5
Farm	2.12	12.4	65.8	2.12	10.2	68.4	2.21	12.2	66.3	1.89	12.8	64.0	3.07	13.7	70.7
One-member families	1.58	15.6	50.8	2.00	17.6	59.4	1.75	17.1	53.2	.71	8.4	39.4	2.32	20.7	53.9
Urban	1.92	18.1	58.3	2.30	19.0	65.0	2.45	21.0	66.7	.93	11.0	45.8	2.07	21.0	53.7
Rural nonfarm	.71	7.8	29.2	.70	9.1	35.3	.53	6.8	29.7	.19	2.1	20.6	3.77	20.4	50.0
Farm	1.24	15.0	59.6	.10	.7	25.0	1.55	17.5	50.0	1.07	16.6	68.0	1.57	16.3	75.0
Families of 2 or more															
Under 2,000	1.45	9.9	52.6	1.44	8.8	46.0	1.47	9.8	45.5	1.40	10.1	57.0	1.91	10.7	50.7
Urban	2.22	12.7	61.2	1.71	9.9	52.2	3.01	14.8	53.7	2.10	12.5	69.2	2.41	14.3	50.0
Rural nonfarm	1.01	7.5	44.8	1.24	8.4	35.5	.67	5.3	32.7	1.10	8.3	51.1	.81	4.6	50.0
Farm	1.05	8.3	51.5	.91	5.5	50.0	.96	7.4	51.6	1.03	8.8	51.5	2.06	9.9	53.3
2,000-3,999	3.44	13.6	80.0	4.09	14.7	80.6	3.34	13.3	74.8	3.27	14.0	84.0	2.71	10.6	77.0
Urban	3.66	13.7	82.0	4.73	16.1	82.1	3.44	12.4	77.8	3.01	12.8	85.4	3.12	12.0	80.5
Rural nonfarm	3.39	13.6	77.6	2.75	10.8	77.2	3.75	15.3	70.5	3.94	15.8	83.7	1.86	7.4	72.1
Farm	2.33	12.7	75.5	1.93	10.4	77.0	2.19	12.1	73.3	2.42	13.7	78.0	3.17	13.9	71.1
4,000-5,999	5.02	16.1	85.4	6.03	17.8	88.1	4.48	14.8	80.7	5.04	17.2	91.3	3.85	12.5	81.8
Urban	5.39	16.6	85.9	6.95	19.6	89.3	4.71	14.8	82.1	4.85	16.7	89.0	3.70	12.3	82.4
Rural nonfarm	4.41	14.5	85.7	3.49	11.8	84.9	4.42	15.0	80.6	5.36	17.4	95.0	4.67	13.1	80.0
Farm	3.51	15.3	78.5	2.54	10.8	86.2	3.14	13.8	71.0	4.99	22.0	91.5	2.94	12.8	79.4
6,000 and over	9.56	23.2	90.7	10.32	24.2	88.7	9.34	22.5	89.7	6.95	20.4	94.6	11.74	25.1	92.8
Urban	10.29	23.9	92.1	10.96	25.0	89.9	10.54	24.0	91.9	6.78	20.2	96.8	11.87	24.4	92.3
Rural nonfarm	7.99	21.1	87.3	8.25	22.1	86.4	6.32	18.2	82.8	8.58	22.4	92.9	13.74	30.2	100.0
Farm	4.26	15.8	80.6	5.43	15.7	68.4	4.20	16.5	83.3	3.55	15.5	78.4	4.72	15.7	85.0
Not classified	6.62	22.5	80.2	8.61	25.7	81.9	5.88	20.7	76.6	4.37	19.0	80.4	6.80	21.5	83.2
Urban	8.84	26.0	85.3	9.97	27.8	84.0	8.76	25.7	82.6	6.46	22.7	88.4	8.11	24.0	91.4
Rural nonfarm	3.33	13.5	75.6	4.54	16.9	76.9	2.46	9.6	75.0	3.28	15.6	80.0	1.83	6.3	50.0
Farm	2.08	11.9	65.6	2.12	10.0	67.6	1.67	10.0	62.7	2.22	13.4	67.9	3.57	17.8	65.0

1/ From Food Expenditures of Households in the United States, preliminary report of Survey of Household Food Consumption, Spring 1955. U. S. Department of Agriculture, Washington, D. C. August 1956. Data include all alcoholic beverage expenditures reported.

Table 11.- Regional and urbanization shares in food market, spring 1955 1/

Region	Percentage of United States food market	Distribution of food market in region by urbanization		
		Urban	Rural nonfarm	Farm
	Percent	Percent	Percent	Percent
All regions	100	69	24	7
Northeast	31	77	20	3
North Central	32	69	22	9
South	24	55	34	11
West	13	74	20	6

1/ Derived from data of Survey of Household Food Consumption on total expenditures for food for home use, excluding alcoholic beverages, and for food and alcoholic beverages away from home by housekeeping families in one week in spring 1955.

These survey figures appear to provide a reasonably satisfactory measure of the division of the total food market by region 6/, degree of urbanization, and income group even though food expenditures of the nonhousekeeping segment of the population are excluded. To be classified as a housekeeping household, at least one person must have eaten at least 10 meals prepared out of household food supplies. The nonhousekeeping population includes people who live in institutions of all kinds and in nonhousekeeping rooms in hotels and rooming houses. The food expenditure rates of the group of people who live in institutions are probably lower than those of family households. But expenditures of people who live in nonhousekeeping rooms may run higher per capita than for housekeeping families. As yet we have no measure for expenditures of either group. Nonhousehold food expenditures possibly average a little higher per person than expenditures of households in areas with higher income levels.

Still another problem is the use of spring (April-June) 1955 data as representative of the whole year's food market. Actually, this problem does not worry us very much when we are working with figures on all foods combined, or on most major food groups, because of the findings in certain studies of the Household Economics Research Branch, ARS. These indicate that spring rates and patterns of food consumption of urban families come closest

6/ Preliminary review of data from 1954 Census of Retail Trade tends to substantiate this regional breakdown.

to annual rates for all food and most larger groupings of foods. 7/ Spring data probably are less reliable indicators for year-round farm than for urban consumption patterns.

How do high and low income groups share in the total food market? Answer: About as would be expected. Higher income families account for a greater proportion of total food and meal sales than their numbers would indicate. Figures on shares of the food market (table 12) can be compared with the distribution of people in the sample by family income in 1954 after payment of income taxes. Families of two or more persons having money incomes of less than $2,000 accounted for only 8 percent of total food expenditures reported by housekeeping families. They included 13 percent of the people in the sampled families. At the other end of the income scale, families with incomes over $6,000, including a little less than a fifth of the people, accounted for a fourth of the food expenditures.

Table 12.- Shares of income groups of housekeeping families in food market of U. S. and regions, spring 1955 1/

Money income in 1954 after income taxes (dollars)	United States	Northeast	North Central	South	West
	Percent	Percent	Percent	Percent	Percent
One member families 2/	3	3	3	3	4
Families of 2 or more	97	97	97	97	96
Under 2,000	8	4	5	17	4
2,000-3,999	24	23	20	34	22
4,000-5,999	30	33	31	23	30
6,000 and over	25	24	32	15	31
Not classified 3/	10	13	9	8	9

1/ Derived from data on total expenditures for food for home use and for food and all beverages away from home by housekeeping families only, one week, spring 1955.

2/ Not subdivided by income in tabulations because of small number of cases in each region.

3/ Not reporting income.

How is the home food market divided among commodity groups? Note that we avoid the question: How is the total food market divided among commodities? We do this because households cannot be expected to report how much of the money spent away from home for meals and snacks go for each commodity used in their preparation. The only way to get at that breakdown is to sample eating places and ask for their purchases of commodities.

7/ Food Consumption of Urban Families in the United States (1948-49), AIB 132 p. 9.

But the breakdown of the dollars households spend for food they for home use from retail stores and other distributors, and even from farmers, is a useful piece of information. In table 13, you find that in the spring of 1955 meats took the largest single slice out of the household food dollar--25 percent for all U. S. housekeeping households. Next comes the dairy products group, excluding butter, with 15 percent. Cereal and bakery products of all kinds took 12 percent, followed closely by vegetables including potatoes.

Even brief study of the data in table 13 on expenditure patterns yields strong impressions of the major significance of home produced foods on money outlays for such items as poultry and eggs, and of rural-urban differences in purchases of sugars and sweets and cereals and bakery products. When the consumption data are available, we shall go into these matters much more deeply.

Is the market for major foods for home use divided up among regions about the same as that for all food? Table 14 shows the breakdowns of outlays for groups of foods by region and category of urbanization. But note here that we are concerned with the market for food for home use, not total purchases of food for home use and of meals and snacks (including alcoholic beverages) away from home. Looking over the figures, we see that the Northeast buys heavily of poultry and eggs, meats, and dairy products (excluding butter), much less of sugars and sweets and somewhat less of cereal and bakery products. As yet we have been unable to work out the factors behind this pattern.

Households in the North Central region spent more for purchased fruits in the spring of 1955 (why, we do not know) and less for poultry and eggs. The latter pattern may come from greater emphasis on backyard flocks of chickens and more farm chickens. The figures on consumption rates will give us part of the answer; the other part will come from analysis of Census data.

The expenditure patterns of Southern households stressed fats and oils, cereals and bakery products, and sugars and sweets. This pattern is no surprise when one considers the historic popularity of hot breads and sweets in the South, but lower levels of income probably are significant too. Smaller outlays for fruits in the South may be due to either lower incomes or availability of home-produced supplies, or both. Figures on food consumption rates in the forthcoming statistical reports will help us put factors affecting food patterns into proper perspective.

As to the Western share of the U. S. household market for major foods, the data indicate slightly greater stress on purchases of fruits, and less on cereals and bakery products.

How do food expenditures per capita vary across the country? It is possible to study food expenditures among persons in families of different size by using per capita figures. But another problem in comparison of all of these expenditure figures arises from differences in dependence on home-produced foods and in eating away from home. The worst aspect of this difficulty can be avoided by comparing urban rates with urban rates, farm rates with farm

Table 13.- Expenditures for major food groups related to total food expenditures for home use by region and urbanization, one week, spring 1955 1/

Region and urbanization group	Meats	Dairy products excluding butter	Fats and oils 2/	Poultry and eggs	Fruits 3/	Vegetables 4/	Sugars and sweets	Cereals and bakery products	Other 5/
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
U. S. total	25.3	14.8	4.6	8.5	7.9	10.8	3.2	11.6	13.3
Urban	26.3	15.1	4.1	9.4	8.0	11.0	2.7	10.4	13.0
Rural nonfarm	24.6	15.1	5.0	7.6	7.4	10.3	3.8	12.9	13.3
Farm	18.7	11.2	6.8	3.4	9.0	10.6	6.1	18.0	16.2
Northeast	26.8	15.4	4.2	9.4	7.7	10.4	2.5	10.5	13.1
Urban	27.1	15.2	3.9	10.2	7.6	10.7	2.3	9.9	13.1
Rural nonfarm	26.3	16.3	4.6	7.4	7.8	9.8	3.2	11.8	12.8
Farm	22.4	12.9	5.9	3.6	8.7	9.4	5.1	16.6	15.4
North Central	25.6	15.0	4.7	7.3	8.7	10.8	3.1	11.6	13.2
Urban	26.6	14.9	4.2	8.1	8.7	11.3	2.7	10.4	13.1
Rural nonfarm	25.7	16.4	5.2	6.7	7.9	9.7	3.3	12.7	12.4
Farm	18.1	12.6	7.3	2.5	10.5	10.6	6.0	17.1	15.3
South	23.0	13.6	5.1	9.0	7.0	11.0	4.2	13.5	13.6
Urban	24.6	14.8	4.6	10.5	6.9	11.3	3.2	11.3	12.8
Rural nonfarm	21.9	13.0	5.4	8.5	6.7	11.1	4.8	14.8	13.8
Farm	18.4	9.1	6.7	4.0	7.1	10.4	6.9	19.9	17.5
West	25.5	15.3	4.4	8.2	8.7	10.9	3.1	10.5	13.4
Urban	25.8	15.6	4.2	8.7	8.9	10.6	3.0	10.2	13.0
Rural nonfarm	26.0	15.3	4.3	7.6	7.4	11.1	3.5	10.6	14.2
Farm	17.9	11.6	6.5	4.9	10.2	13.4	4.4	15.2	15.9

1/ Food expenditures exclude expenditures for alcoholic beverages and money value of home produced food. Data from Survey of Household Food Consumption.
2/ Including butter.
3/ Including melons.
4/ Including potatoes and sweetpotatoes.
5/ Including fishery products, nonalcoholic beverages, and miscellaneous foods.

Table 14.- Shares of regions and urbanization categories in household market for 8 food groups, one week, spring 1955 1/

Region and urbanization	Meats	Dairy products excluding butter	Fats and oils 2/	Poultry and eggs	Fruits 3/	Vege-tables 4/	Sugars and sweets	Cereal and bakery products
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Percentage of U. S. market								
By region								
Northeast	32.3	31.7	27.5	33.8	29.5	29.4	23.9	27.6
North Central	32.3	32.4	32.7	27.3	35.0	32.0	31.3	31.8
South	22.9	23.0	27.9	26.8	21.9	25.9	32.6	29.2
West	12.5	12.9	11.9	12.1	13.6	12.7	12.2	11.4
By urbanization								
Urban	69.9	68.5	61.0	74.3	67.9	68.4	56.1	60.1
Rural nonfarm	24.5	25.7	27.7	22.6	23.5	24.1	29.5	28.1
Farm	5.6	5.8	11.3	3.1	8.6	7.5	14.4	11.8
Percentage of regional market								
Northeast								
Urban	76.3	74.5	71.5	81.8	74.6	77.0	66.7	70.9
Rural nonfarm	21.2	23.0	24.2	17.0	22.0	20.3	27.2	24.3
Farm	2.5	2.5	4.3	1.2	3.4	2.7	6.1	4.8
North Central								
Urban	70.0	66.8	59.8	75.4	67.7	70.0	57.8	60.6
Rural nonfarm	23.3	25.3	25.4	21.4	21.0	20.7	24.1	25.3
Farm	6.7	7.9	14.8	3.2	11.3	9.3	18.1	14.1
South								
Urban	58.3	59.4	48.2	62.8	54.9	55.2	42.2	45.5
Rural nonfarm	32.3	32.7	36.4	32.0	33.0	33.9	38.5	37.2
Farm	9.4	7.9	15.4	5.2	12.1	10.9	19.3	17.3
West								
Urban	74.0	74.2	70.0	76.7	74.6	71.4	68.3	70.1
Rural nonfarm	21.9	21.3	21.3	19.8	18.4	21.5	23.6	21.5
Farm	4.1	4.5	8.7	3.5	7.0	7.1	8.1	8.4

1/ Breakdown of housekeeping households' expenditures for food for home use (excluding alcoholic beverages). Expenditures do not include money value of home-produced food. Data from 1955 Survey of Household Food Consumption.
2/ Including butter.
3/ Including melons.
4/ Including potatoes and sweetpotatoes.

rates. On this basis, we note (table 15) that in spring 1955 per capita expenditures for food at home and for meals and beverages and snacks away from home in urban areas varied from $7.02 per week in the South to $9.63 in the Northeast, the U. S. average being $8.90. Expenditures of farm people averaged $3.50 per person in the South, $4.59 in the North Central region, $5.33 in the Northeast, and $5.57 in the West. In each region expenditure rates of rural nonfarm families fell between those of urban and farm families.

As one-person households in the sample are too few in number to give us reliable figures for income breakdowns, it is necessary to look at households of 2 or more for evidence of the effect of income on food expenditures. (A special supplementary tabulation of ungrouped data, family by family, is under way.) Per person food outlays in urban U. S. families ran from about $6 in families with incomes below $2,000 in 1954 after payment of income taxes, to over $10 both in families with incomes over $6,000 and in those not reporting their income. Even within income groups, per capita expenditure rates reported by urban families in the South were lower than those in other regions. In part, this apparently results from slightly larger families in the South (table 16). Offhand, we might expect food prices in the South to run slightly lower in the spring because of earlier production of seasonal items, but considerable study will be necessary before any conclusions can be reached.

Time after time, as we study the averages on food expenditures we stop to say, "but there are proportionally more high--or low--income families in that group." When the first 5 reports are published, we plan to summarize the survey figures on distribution of U. S. households and family members within urbanization categories by money income in 1954 after income taxes. The 1955 survey covered single-person households as well as the households of 2 or more covered in 1948 urban survey. Such small households made up 8 percent of the total number of housekeeping establishments but only 2 to 3 percent of the people in the sample. The low incomes of many households in the South show up sharply in both the distributions of households and of family members.

As soon as possible after release of the first 5 statistical reports, we shall conduct a special study of the effects of differences in income distributions by region and urbanization on food expenditures and food consumption. Meanwhile, we can only report that the problem is too big to describe adequately in a few sentences or a few paragraphs, or even in a few pages.

How did food expenditures in the spring of 1955 compare with those in spring 1948? The 1955 survey covered urban and rural households of all sizes. That of 1948 sampled only urban households of 2 or more persons. But it is easy to pick out the subsection of the data for 1955 comparable to those for 1948 and find that expenditures for food and alcoholic beverages at home and away from home in one week averaged $31.96 per family in 1955 and $25.57 in 1948. The 1955 away-from-home expenditures of $6.15 per urban family of 2 or more were substantially higher than the average expenditure of $3.98 reported in spring 1948. Part of the increase may arise from reporting problems but

Table 15.- Per capita expenditures for food at home and for food and beverages away from home, one week, spring 1955 1/

Urbanization and money income per family in 1954 after income taxes (dollars)	U. S.	Northeast	North Central	South	West
	Dollars	Dollars	Dollars	Dollars	Dollars
All families	7.68	8.91	8.08	5.87	8.86
Urban	8.90	9.63	9.47	7.02	9.33
Rural nonfarm	6.70	7.42	7.04	5.65	8.69
Farm	4.21	5.33	4.59	3.50	5.57
One member families					
All	9.92	11.08	10.08	8.32	10.88
Urban	10.43	11.77	11.61	8.24	9.76
Rural nonfarm	8.84	7.63	7.55	8.92	2/17.02
Farm	7.96	14.12	8.57	6.05	9.36
Families of 2 or more					
Under 2,000 - all	4.42	5.50	5.34	3.79	6.36
Urban	5.96	6.11	7.84	5.21	7.37
Rural nonfarm	4.15	4.92	4.97	3.71	5.32
Farm	3.29	4.87	3.96	2.79	5.92
2,000-3,999 - all	6.70	7.74	6.95	5.70	7.47
Urban	7.44	8.43	8.15	6.17	7.53
Rural nonfarm	6.23	6.68	6.38	5.62	7.98
Farm	4.44	4.69	4.64	4.04	5.39
4,000-5,999 - all	8.04	8.89	7.83	7.17	7.92
Urban	8.65	9.48	8.59	7.63	8.10
Rural nonfarm	7.43	7.51	7.28	7.05	8.21
Farm	5.00	5.41	5.04	4.80	4.96
6,000 and over - all	10.26	10.57	10.01	8.94	12.05
Urban	10.92	11.00	10.94	9.34	12.30
Rural nonfarm	9.29	9.30	8.54	9.35	13.54
Farm	5.43	5.68	5.09	4.89	6.35
Not classified - all	8.38	10.05	8.17	6.04	9.45
Urban	10.28	10.75	10.51	8.73	10.21
Rural nonfarm	6.90	8.62	7.49	5.06	8.93
Farm	4.22	5.52	4.02	3.85	5.33

1/ Data differ from those in table 2 because of exclusion of alcoholic beverages purchased for home use. Information obtained from housekeeping families in Survey of Household Food Consumption, Spring 1955.

2/ Small number of cases in this category included an individual with several guests for week.

Table 16.- Average family size in spring 1955 of housekeeping families, grouped by urbanization, region, and income 1/

Money income in 1954 after income taxes (dollars)	United States	Northeast	North Central	South	West
	Number	Number	Number	Number	Number
			All urbanization groups		
All families 1/	3.43	3.34	3.39	3.62	3.22
Families of 2 or more					
Under 2,000	3.28	2.93	2.76	3.61	2.73
2,000 - 3,999	3.69	3.50	3.53	4.03	3.32
4,000 - 5,999	3.78	3.69	3.76	3.98	3.77
6,000 and over	3.78	3.82	3.88	3.72	3.52
Not classified 2/	3.39	3.16	3.43	3.76	3.22
			Urban		
All families 1/	3.26	3.26	3.30	3.29	3.14
Families of 2 or more					
Under 2,000	2.88	2.78	2.51	3.15	2.25
2,000 - 3,999	3.48	3.38	3.30	3.73	3.38
4,000 - 5,999	3.63	3.63	3.60	3.74	3.61
6,000 and over	3.70	3.76	3.78	3.55	3.49
Not classified 2/	3.17	3.14	3.20	3.19	3.17
			Rural nonfarm		
All families 1/	3.56	3.50	3.36	3.83	3.25
Families of 2 or more					
Under 2,000	3.22	2.97	2.51	3.55	3.20
2,000 - 3,999	3.94	3.76	3.76	4.38	3.05
4,000 - 5,999	4.01	3.85	3.93	4.24	4.17
6,000 and over	3.89	3.93	3.93	4.00	3.25
Not classified 2/	3.53	3.04	3.42	4.13	3.17
			Farm		
All families 1/	4.01	3.83	3.88	4.17	3.91
Families of 2 or more					
Under 2,000	3.83	3.39	3.22	4.16	3.40
2,000 - 3,999	4.07	3.89	3.85	4.32	4.13
4,000 - 5,999	4.49	4.28	4.43	4.68	4.53
6,000 and over	4.75	4.68	4.88	4.54	4.65
Not classified 2/	4.06	3.82	4.03	4.25	3.65

1/ As reported in 1955 Survey of Household Food Consumption. Includes one person families which could not be subdivided by income because of small number of cases in each region.

2/ Not reporting income.

we must look into the figures more carefully later. Outlay for food and alcoholic beverages for home use were $25.81 in 1955 and $21.59 in 1948. Taking out reported expenditures for alcoholic beverages, we get $24.76 and $20.91 per family. Average family size was 3.49 persons in 1955 and 3.29 in 1948. So per capita food expenditures, excluding alcoholic beverages, of urban families of 2 or more persons, come out to $7.09 in 1955, 11 percent above the $6.36 for 1948. Meanwhile, retail food prices had gone up around 6 percent 8/ and incomes after payment of income taxes about 28 percent. 9/

The next step in this analysis requires an examination of average food expenditures for comparable income groups, and by commodity groups, but these are complicated jobs which have to wait their turns after the detailed data become available.

What other information will come from the survey? When? Where? The 5 reports on food consumption in one week in the spring of 1955, referred to earlier in this article, will supply averages per household by income group for each category of urbanization within each region and all U. S. for (1) money value of the total quantity of each of some 200 food items consumed; (2) quantity of each food consumed; (3) proportion of households consuming each item; and (4) average 1954 income after payment of income taxes, for each income level. Separate figures on purchased food will be published where home production is important.

From these averages per household we will compute per capita figures and relationships between income and food expenditures by major food group and between income and food consumption.

As we study these new data, we will be seeking answers to such questions as,

What will be the net effect of the current trend from home-production to commercially produced, processed, and distributed foods by, say, 1960?

How much increase in the demand for food could come from continuation of industrialization and rapid rise of incomes in the South?

What other areas offer great potential for expanding the market for food?

How do relationships to be found in these survey data match up with historical changes in food consumption and food expenditures?

8/ Comparing Bureau of Labor Statistics index figures for April-June of 1948 and of 1955.

9/ Based on Department of Commerce data on average disposable income per capita, all U. S., April-June 1948 and 1955.

To help agricultural marketing agencies utilize this mass of valuable data, descriptive and analytical studies seeking answers to these questions will be published in the National Food Situation, the commodity situation reports, and other reports issued by AMS.

Five reports on dietary levels computed from the food consumption data are being prepared for release early in 1957. Next will come special reports on home food preservation practices, home food production, and home baking. Single copies of all these reports may be obtained from the Office of Information, U. S. Department of Agriculture.

ARS and AMS will cooperate in assembling and publishing a mass of by-product data from the survey, such as the number of meals eaten at home and away from home; household size and type; age, education, and employment of the wife or female head; place of residence; and on other family characteristics.

TECHNICAL NOTES

Collection procedures.- The data for this survey were obtained in personal interviews by trained interviewers of National Analysts, Inc. who requested a respondent (usually the homemaker) in a representative sample of households to report on the quantities of each food used during the preceding seven days, the amounts paid for the purchased items, and information on household food practices and characteristics. In conducting the interview, the interviewer used a detailed food check list to help remind the homemaker of items that may have been used. Six thousand households were contacted in interviews that averaged about two hours in length. The interviews were spread over the three-month period from April through June 1955 in order to get a representative sample through the spring period.

Eligibility for survey.- The survey was limited to those non-institutional households that had prepared for at least one member a minimum number of meals from household food supplies, i.e. housekeeping households. Persons living on military posts or in private or public institutions were excluded from the survey.

Household.- A household is a group of persons who shared the family food supplies, including guests, hired help, and boarders, as well as family members. Only housekeeping households that had prepared 10 or more meals for at least one person during the 7 days prior to the interview were included in the survey. Lunches prepared at home but eaten away from home were counted as meals even if supplements to this meal were purchased. Detailed data on foods used at home were collected for each housekeeping household in the survey.

Family.- The family classification used in the survey is that of an economic family, one made up of individuals living together and dependent on a common pooled fund for their major items of expense. All unmarried sons and daughters living at home were included along with other persons who lived with the

family, provided they drew from the family fund for food, housing, automobile expenses, and at least one other category of major expense, such as clothing or medical care. Family members who were temporarily away from home--traveling as part of their job or on vacation, at school, in the hospital, etc.--were considered to be members of the economic family even though they were not residing in the household at the time of the interview. The income groupings used in the survey are based on the income of the primary economic family in the household, i.e., the one which was more closely connected with maintaining the dwelling unit. Example:- Income of parents (the primary family) who may have daughter and son-in-law (the secondary family) living with them who pay board and room. Income here would include parents' income plus receipts for board and room. Data on expense for food away from home (meals, drinks, snacks, etc.) were obtained only for members of this "primary" economic family, regardless of where they may have been at the time of the interview. The total food expense data in the preliminary report on the survey were therefore necessarily limited to the food expenses of the primary economic family (rather than for the whole household).

Sample size and reliability of data.- Altogether around 6,000 households were interviewed in the survey. The farm segment of the population was "over sampled," that is, more than their proportionate share of interviews was covered. The total number of interviews included 2,000 for farm households, compared with the proportionate share of about 500 farm interviews. Care should be exercised in using the averages based on a small number of interviews. Later reports on the survey will contain data on the number of interviews in each tabulation cell and discussions of the various kinds of error (e.g. sampling, non-response, recall, etc.) to which these data are subject.

Table 17.- Production of major food commodities, calendar years, 1935-39 and 1947-49 averages, 1953-55, and estimates for 1956, with percentage comparisons 1/

Commodity	Unit	Average 1935-39	Average 1947-49	1953	1954	1955	1956 prelimi-nary 2/	1956 as a percentage of 1935-39	1956 as a percentage of 1947-49	1956 as a percentage of 1955
Meats (carcass weight)										
Beef	Mil. lb.	6,937	9,649	3/12,407	3/12,963	3/13,568	3/14,300	206	148	105
Veal	Mil. lb.	1,038	1,454	3/1,546	3/1,647	3/1,578	3/1,600	154	110	101
Lamb and mutton	Mil. lb.	870	716	3/729	3/734	3/758	3/740	85	103	98
Pork (excluding lard)	Mil. lb.	7,337	10,281	3/10,006	3/9,870	3/10,991	3/11,285	154	110	103
Total meats	Mil. lb.	16,182	22,100	3/24,688	3/25,214	3/26,895	3/27,925	173	126	104
Fish (edible weight)										
Fresh and frozen	Mil. lb.	615	706	660	660	630	4/	---	---	---
Canned 5/	Mil. lb.	337	484	412	460	410	4/	---	---	---
Cured	Mil. lb.	74	70	62	62	62	4/	---	---	---
Total fish	Mil. lb.	1,026	1,260	1,134	1,182	1,102	1,160	113	92	105
Poultry and eggs										
Eggs	Mil.doz.	3,335	5,086	3/5,307	3/5,402	3/5,403	3/5,500	165	108	102
Chicken (ready-to-cook)	Mil. lb.	1,730	2,753	3/3,567	3/3,743	3/3,555	3/4,100	237	149	115
Turkey (ready-to-cook)	Mil. lb.	288	492	3/758	3/870	3/818	3/965	335	196	118
Dairy products										
Total milk 6/	Bil. lb.	105.9	116.3	3/120.5	3/122.3	3/123.6	3/127.0	120	109	103
Cheese 7/	Mil. lb.	673	1,160	1,344	1,383	1,353	1,380	205	119	102
Condensed and evaporated milk	Mil. lb.	2,225	3,497	2,875	2,844	2,909	2,895	130	83	100
Ice cream (product weight)	Mil. lb.	1,279	2,758	2,904	2,866	3,023	3,125	244	113	103
Fats and oils										
Butter, farm and factory (actual weight)	Mil. lb.	2,195	1,611	3/1,607	3/1,628	3/1,551	3/1,590	72	99	103
Lard 8/	Mil. lb.	1,630	2,419	3/2,355	3/2,330	3/2,660	3/2,750	169	114	103
Margarine (actual weight)	Mil. lb.	372	839	1,292	1,364	1,333	1,350	363	161	101
Shortening	Mil. lb.	1,529	1,434	1,675	1,961	1,975	1,900	124	132	96
Other edible fats and oils 9/	Mil. lb.	2,157	3,912	5,389	5,495	5,943	6,135	284	157	103
Total fats and oils (fat content) 10/	Mil. lb.	5,554	7,627	9,038	9,136	9,852	10,165	183	133	103
Fruits										
Fresh:										
Citrus	Mil. lb.	6,875	8,782	7,838	7,586	7,798	7,700	112	88	99
Apples (commercial)	Mil. lb.	4,385	3,791	3,208	3,407	3,400	3,300	75	87	97
Other (excluding melons)	Mil. lb.	4,648	4,508	4,142	3,942	3,810	3,900	84	87	102
Processed:										
Canned fruit	Mil. lb.	1,705	2,584	2,876	3,000	3,400	3,300	194	128	97
Canned fruit juices	Mil. lb.	333	2,230	1,924	2,046	1,875	1,950	586	87	104
Frozen (including juice)	Mil. lb.	106	416	1,254	1,280	1,499	1,500	1,415	361	100
Dried	Mil. lb.	1,118	1,008	863	805	840	870	78	86	104
Vegetables										
Fresh, total commercial 11/	Mil. lb.	18,565	23,041	25,066	25,140	25,158	26,454	142	115	105
Canned	Mil. lb.	4,030	6,064	7,184	6,665	7,045	8,500	211	140	121
Frozen	Mil. lb.	12/78	454	1,103	975	1,140	1,361	1,745	300	119
Potatoes	Mil.cwt.	213	3/248	3/232	3/220	3/227	3/242	114	98	107
Sweetpotatoes	Mil.cwt.	37	3/25	3/19	3/17	3/21	3/16	43	64	76
Dry edible beans 13/	Mil. lb.	1,360	1,854	3/1,650	3/1,694	3/1,697	3/1,703	125	92	100
Dry field peas 13/	Mil. lb.	229	401	3/305	3/311	3/253	3/489	214	122	193
Canned baby foods	Mil. lb.	37	469	666	683	669	680	1,838	145	102
Sugar, raw basis	1,000 short tons	1,948	2,065	2,375	2,610	2,386	2,400	123	116	101
Grains										
Wheat	Mil. bu.	759	1,251	3/1,173	3/984	3/937	3/976	129	78	104
Rye	Mil. bu.	44.9	23.1	3/18.9	3/25.9	3/29.7	3/22.0	49	95	74
Rice, milled	Mil. lb.	1,340	2,333	3/3,113	3/3,383	3/4,017	3/3,411	255	146	85
Corn, grain only	Mil. bu.	2,050	2,788	3/2,882	3/2,708	3/2,895	3/2,950	144	106	102
Oats	Mil. bu.	1,045	1,294	3/1,153	3/1,410	3/1,499	3/1,155	111	89	77
Barley	Mil. bu.	239	279	3/247	3/379	3/400	3/370	155	133	92
Peanuts, farmers' stock basis	Mil. lb.	1,230	2,128	3/1,574	3/1,008	3/1,565	3/1,491	121	70	95

1/ Calendar year basis except for fresh citrus fruit for which the season begins in the fall of the previous year; dried fruits on a pack-year beginning year indicated; rice on a marketing year ending year indicated. 2/ Preliminary estimates based on trends in livestock numbers, current or prospective rates of output, average or probable acreages and yields, and such other data or advance estimates as are available. These estimates are used only to indicate the general level of food supplies for domestic consumption for 1956, but they are based on such official estimates of production as are available at this time. Revisions will of course be made from time to time throughout the year as official indications or estimates are issued through the Crop Reporting Board of the Department. 3/ Incorporates changes resulting from the 1954 Census of Agriculture. 4/ Not available. 5/ Excludes products containing small quantities of fish such as clam chowder, etc. 6/ Includes farm production of milk as reported by the Crop Reporting Board and an allowance for nonfarm production declining from 2.3 billion pounds in 1935-39 to zero in 1956. 7/ Excludes full skim, cottage, pot, and bakers' cheese. 8/ Includes amount used in manufactured food and nonfood products. 9/ Includes cottonseed, peanut, soybean, corn, edible olive, and oleo oils, oleo stock, oleostearine, and edible tallow later processed into margarine, shortening, cooking and salad oils, etc., and nonfood items. 10/ Includes butter, lard, and "other edible fats and oils." 11/ This series covers total commercial production for sale as fresh, both for shipment to distant markets and for local markets; includes quantities not harvested and use of a few minor vegetables for processing. Excludes farm garden output for farm household use. 12/ Average 1937-39. Data prior to 1937 are not available. 13/ Cleaned basis.

Table 18.- Retail food prices and total consumer price index, United States, 1945-54 and 1955-56 by months

(Index numbers, 1947-49=100)

Year and month	Meats 1/	Eggs	Dairy products 2/	Fats and oils 3/	Cereals and bakery products	Fruits and vegetables	Sugar and sweets	Beverages	All foods 4/	Consumer price index
1945	56	81	70	69	66	87	72	61	69	77
1946	69	83	86	84	76	89	81	68	79	83
1947	94	99	97	110	94	98	102	92	96	96
1948	106	102	106	108	103	100	98	100	104	103
1949	100	99	97	82	103	102	100	108	100	102
1950	105	85	96	80	104	98	102	153	101	103
1951	117	104	107	94	114	107	106	169	113	111
1952	116	95	112	79	117	117	106	170	115	114
1953	110	100	110	80	119	114	108	174	112	114
1954	108	84	106	84	122	112	110	207	112	115
1955	102	87	106	81	124	114	112	186	110	114
Jan.	102	74	106	82	123	111	113	202	109	114
Feb.	102	85	106	82	124	111	113	191	110	114
Mar.	102	86	105	82	124	112	113	187	110	114
Apr.	103	79	105	82	124	118	113	186	110	114
May	102	76	104	81	124	120	113	185	110	114
June	104	77	104	81	124	120	113	180	110	114
July	104	82	105	81	124	122	113	180	111	115
Aug.	103	93	106	82	124	111	113	180	110	114
Sept.	104	98	106	81	124	110	113	182	110	115
Oct.	101	98	108	81	124	108	110	185	109	115
Nov.	97	95	108	81	124	109	109	186	108	115
Dec.	95	99	108	80	124	111	109	184	108	115
1956										
Jan.	93	97	107	80	124	113	109	183	108	115
Feb.	94	85	107	80	124	113	109	183	107	115
Mar.	93	85	107	80	124	115	109	188	107	115
Apr.	94	84	106	82	124	117	109	189	108	115
May	96	82	108	84	125	122	109	189	110	115
June	98	81	108	85	125	131	109	192	112	116
July	99	83	109	84	125	135	110	197	114	117
Aug.	100	86	109	84	126	121	110	198	112	117
Sept.	101	90	110	84	127	115	110	202	112	117

1/ Includes chicken and fish.
2/ Includes butter.
3/ Excludes butter.
4/ Includes only foods consumed at home.
Bureau of Labor Statistics.

LIST OF TABLES

Table number		Page
1	Volume of farm marketings and home consumption and per capita food consumption	2
2	Index of supply-utilization of farm food commodities	2
3	Apparent per capita consumption of major food commodities	4
4	Nutrients available per person per day	6
	Coffee:	
5	Supply and distribution	24
6	Retail prices	24
7	World exportable production	27
	Based on 1955 Survey of Household Food Consumption:	
8	Family expenditures for food and beverages	33
9	Per capita expenditures for food and beverages	35
10	Family expenditures for food and beverages away from home	36
11	Regional and urbanization shares in food market	37
12	Shares of income groups of housekeeping families in food market	38
13	Expenditures for major food groups related to total food expenditures for home use	40
14	Shares of regions and urbanization categories in household market for 8 food groups	41
15	Per capita expenditures for food (excluding alcoholic beverages purchased for home use)	43
16	Average size of housekeeping families in spring 1955	44
17	Production of major food commodities	48
18	Retail food price and total consumer price indexes	49

Supplements to Agriculture Handbooks 62 and 91, Consumption of Food in the United States, 1909-52 and Measuring the Supply and Utilization of Farm Commodities, New Indexes, 1924-54 respectively, will not be issued this year. Revisions in data resulting from the 1954 Census of Agriculture and the 1954 Census of Manufactures are now in process. It is expected that the statistical work will be completed by next summer and that the supplements will be issued in the fall. In the supplements all per capita series will be derived using the Bureau of Census estimates of population which are not adjusted for underenumeration instead of the adjusted series hitherto used.

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